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NEWS SUMMARY

GENERAL **Fabius** makes minor changes

France's new Prime Minister, M Laurent Fabius, who will seek a vote of confidence in the National Assembly today, completed his ministerial team without making significant concessions to the cen-

The most striking feature of the new team is that there are so few changes from the outgoing Mauroy

Only eight ministers have left the government, including the four Communists. Page 2

Minister resigns

Danish Finance Minister Henning Christophersen resigned to become Denmark's EEC Commissioner from January 1 1985. Former Social Affairs Minister Palle Simonsen took over the finance post. Page 2

Bangemann in U.S.

Herr Martin Bangemann, West Germany's new economics minister has left for the U.S. for discussions with senior Administration officials on the world economy and ways of strengthening international trade.

Ruiz-Mateos on bail Sr José Maria Ruiz-Mateos, the fugitive Spanish business magnate detained in West Germany for three

months, is being freed on bail pend-

ing a decision on whether to extra-

dite him to Madrid. Page 2 NY trains crash

Two passenger trains collided head-on in the New York-borough of Queens, injuring many passengers.

Explosion kills two

An explosion at a plant of the Beigian chemical manufacturing group, Union Chimique Belge in a suburb of Brussels has killed two

Sacking uproar

Opposition protests over the sacking of Dr Faroog Abdullah as chief minister of Kashmir brought uprear to India's houses of parlia-

Kurds free hostages Kurdish guerrillas in northern Iraq

freed an Austrian, a West German and three Frenchmen they had been holding hostage.

Go-ahead for Budd

South African-born runner Zola Budd was declared eligible to run for Britain in the Olympics, Inter-national Olympic Committee director Monique Berlioux said.

Union lifts ship ban

Australian maritime unions have lifted a ban which stopped the movement of foreign cargoes for five days. The strike ended when the West German Columbus Line one of the lines affected by the union's demand for increased Australian manning - dropped legal action against employees.

E. Germans escape

A young East German couple on holiday in Czechoslovakia have escaped unharmed across the country's fortified frontier with West

Cancer inquiry

An official inquiry gave a "qualified reassurance" that cases of childhood cancer in north-west England were not connected with the nu-

clear plant at Sellafield. Page 7 Miss America quits

Vanessa Williams, the reigning Miss America and the first black to hold the title, said that she would relinquish her crown at the request of pageant officials after nude photographs of her appeared in Penthouse magazine.

BUSINESS

Merrill Lynch reports \$33m loss

MERRILL LYNCH, the Wall Street securities company, reported a \$33m net loss in the second quarter compared with a \$112m profit in the same period last year. Merrill blamed the extremely difficult business environment."

WALL STREET: The Dow Jones industrial average closed 4.75 down at 1.096.62. Section III

LONDON equities were hit by further interest rate fears. The FT Industrial Ordinary index shed 20.9 to 755.3. Gilts lost up to a full point.

FRANKFURT and AMSTERDAM stock markets reached lows for the The Commerzbank index shed 10.6 to 922 and the ANP-CBS general index 3.8 to 147. Section III. TOKYO stocks steepened their de-cline, with the Nikkei-Dow market average off 222.80 to 9,703.35. Background, Page 4; Markets, Section III

HONG KONG markets suffered renewed fears about the colony's future. The Hang Seng index fell 54.08 to 747.02. Background, Page 4; Markets, Section III

DOLLAR improved in London to DM 2876 (DM 2858), SwFr 2441 (SwFr 2417), FFr 8.8275 (FFr 8.7625) and Y246.9 (Y244.85). On Bank of England figures its trade-weighted index was at a record 137.9 from 136.9. In New York, it closed at DM 2.876, FFr 8.8255, SwFr 2.4405 and Y247.2. Page 33

STERLING (ell half a cent to \$1.319 but improved to DM 3.79 (DM 3.7825), SwFr 3.2075 (SwFr 3.2025), FFr 11.635 (FFr 11.61) and Y325.7 (Y323.75). Its trade-weighted index rose to 78.9 from 78.7. In New York it closed at \$1.3205. Page 33

GOLD dropped \$5.75 on the London bullion market to \$335.50. It was also lower in Frankfurt at \$335.25 and in Zurich at \$335.00. In New York, was resolved. Comex July settlement was

\$337.4. Page 32 CRUDE steel output in the noncommunist world was up 9.5 per cent on June 1983 at 38.3m tonnes. International Iron and Steel Insti-

EEC inflation averaged 7.6 per cent in the 12 months to June, slightly above May's 7.5 per cent rate. Inflation in June averaged 8.3 per cent. CHINA'S TRADE with the Soviet Union quadrupled in the first half of this year to \$340m, according to

an official in the country's trade BANCO de Mexico's primary reserves have increased by more than \$2bn this year, according to the Sr

Miguel Mancera, the bank's director general. Page 16 ISTITUTO Bancario San Paolo di Torino is to pay \$284m for control of Banca Provinciale Lombarda, the

private Lombardy bank of Sig Carlo Pesenti. Page 16 SEAT, the Spanish state-controlled motor manufacturer, is to receive

massive new government financial aid in the hope that losses will be stemmed next year. Page 17 TECHNIP, the French project engi-

neering group which suffered losses of FFr 40m (\$4.5m) in 1982 and FFr 182m last year is to lay off 30 per cent of its 2,750-strong workforce, Page 17

COMMERZBANK, the West Ger man commercial bank, says its earnings are under pressure be-cause of the cost of introducing new technology and higher pay and staff

levels. Page 17 RICCAR, the Japanese sewing machine manufacturer, yesterday filed for court debt protection in the fourth largest business failure the country has seen. Page 18

Production difficulties in London may have resulted in typographical errors in unit trusts, some advertisements and elsewhere in today's

- CONTENTS -

Increase in U.S. output fuels fears of overheating

BY STEWART FLEMING IN WASHINGTON

copomy continued unabated in the country has seen since the end of needed. the 1949 recession, the Commerce Department reported yesterday.

department forecast for the quarter on the basis of preliminary data available in mid-June.

report and the White House wards its earlier estimate of first lenges to the central bank. quarter growth from 9.7 per cent to

10.1 per cent. The revisions of the GNP figures The Dow Jones industrial average sank again through the 1,100 mark 4.4 per cent in the first. in the morning. Bond prices also fell and short-term interest rates rose between 5 and 10 basis points.

THE BOOM in demand in the U.S. vived fears that the Federal Reserve Board might conclude that second quarter and is producing the the economy was overheating and strongest economic recovery the that more monetary restraint was

The Fed's monetary policymaking open market committee met on Real growth in gross national Monday and Tuesday of last week. product (GNP) reached an annual The preliminary judgment of the rate of 7.5 per cent in the May-to-markets on that meeting was that June period. This is sharply higher the central bank had not changed than the 5.7 per cent expansion the its policy. But some economists are now questioning that assessment.

Political pressures in an election ear, moderate inflation and the Mr Donald Regan, Treasury Sec- fact that falling metals and comretary, said he was "elated" by the modity prices are raising concern among some economists about the claimed: "Inflation is nailed down." risk of a worldwide deflation all The department also revised up- pose serious policymaking chal-The government estimated yes-

terday that, as measured by the broadly based inplicit price deflasent a shock through Wall Street. tor, inflation in the second quarter at 3.2 per cent was lower than the Against that background, the tes-

timony which Mr Paul Volcker, the Fed chairman, will give to Congress Although many economists were tomorrow on monetary policy will expecting some upward revision of be closely scrutinised. Many econothe GNP figures, the size of the in- mists expect the Fed chairman willcrease came as a surprise. It re- provide some clues as to whether

the Fed has shifted gear. Yesterday's GNP estimate pro vided striking evidence of the momentum in the economy and where that momentum is coming from. Fi nal sales, which provide the best measure of demand pressures

jumped by 10.4 per cent in real

terms in the second quarter. In the

\$ surges

to fresh

records

were poised to rise.

werheating.

the year.

136.9.

Š1.3190.

Senate tomorrow.

By Philip Stephens in London

THE DOLLAR climbed sharply

against other leading currencie

yesterday as the latest evidence of

the strength of the U.S. economy

heightened expectations in finan-

cial markets that U.S. interest rates

The renewed surge, which took

the U.S. currency to an 11½-year high against the D-Mark and new

records against the French franc,

Danish krone and South African rand, followed the news that the

second quarter.
The revised figure was above

most expectations, and stiffened

points to 755.3, its lowest level of

The dollar closed in London at

DM 2.8760, up from DM 2.8580 on

Friday, although profit-taking took it below the day's highs of above DM 2.88. Its trade-weighted index, as measured by the Bank of Eng-

land, rose to a record 137.9 from

Foreign exchange dealers pre-dicted further gains for the U.S. currency, but said the markets

might pause ahead of the testimony

Mr Paul Volcker is to make to the

At present highs, the dollar is al-

so regarded as vulnerable to tem-

porary setbacks stemming from

profit-taking or central bank inter-

The Bank of Japan and the West

German Bundesbank yesterday both sold modest amounts of dollars

to slow the U.S. currency's rise, but

held back from the large-scale in-

tervention seen earlier this year.

Page 33

first quarter, final sales rose only 3.6 per cent.
The main differences between the patterns of growth in the first and second quarter were in stock building and foreign trade. Stock building accounted for two thirds of the first-quarter GNP expansion, but was a negative factor in the sec-

the pace of stock building. A better foreign trade perfor-mance than expected in the second quarter accounted for most of the upward revision to 7.5 per cent.

ond when sales growth outstripped

Mr Malcolm Baldrige, Commerce Secretary, said he expected growth to moderate in the third and fourth quarters, a judgment that administration economists have been making for some time.

Call for banks capital ratio boost, Page 3; Editorial comment, Page 14; U.S. economy grows, Page 16

Britain under pressure over EEC cash crisis

BY QUENTIN PEEL AND PAUL CHEESERIGHT IN BRUSSELS

BRITAIN was under growing pres sure last night over its refusal to sanction extra spending for the Eu-ropean Community budget. West Germany called on EEC foreign ministers, meeting in Brussels, to carry on talking until the matter Herr Hans-Dietrich Genscher,

the West German Foreign Minister, said the failure to agree on ways of maintaining finance for European policies was "flogging the Community to death."

Sir Geoffrey Howe, the British Foreign Secretary, agreed to post-pone his intended departure for London, in order to hold further talks with Mr Peter Barry, his Irish opposite number, who is chairing the foreign ministers' meeting, on how to resolve the dispute over the EEC cash crisis.

The dispute has pitted Britain squarely against the other nine community members.

Sir Geoffrey showed some signs ap, variously estimated at between Ecu 1bn (\$792m) and Ecu 2.1bn (\$1.6bn), could not be financed through cuts in spending.



Sir Geoffrey Howe

until 1985, and bringing forward the date from which it had already been agreed to provide more funds,

frey said.
The Foreign Secretary told a press conference that that was the only solution compatible with a strict interpretation of the Treaty of EEC orthodoxy.

The nine other members, and the European Commission, insist rath-Much of the deficit could instead er that the Council of Ministers be funded by putting off spending must take clear policy decisions on

agricultural spending and other new policies that need to be financed, and that some way must be found to do so.

However, there is no clear agreement among them on the combina tion of savings, deferred spending, and extra finance necessary to The Irish Government, currently

holding the presidency of the Council, has suggested that the gap could be reduced to some Ecu I.35bn as an arbitrary figure - although in its capacity as an ordinary EEC member Ireland would find such cuts ex-In spite of Herr Genscher's plea.

the likely prospect is for a further Budget Council meeting to be called in September to resolve the issue, currently January 1, 1986, Sir Geof- rather than later this week as some countries had proposed.

If no supplementary budget is approved - the European Commission is asking for the full Ecu 2.1bn - finance for agricultural purchases of flexibility yesterday, when he Rome - in accordance with Britain's will start to run out towards the end agreed that the entire 1984 budget insistence that it was the only mem- of October. Then governments will ber of the Community to be true to simply be forced to step in and keep the system going.

Ten disagree over new members, Page 2; Move to break trade barriers. Page 6

Brussels near IBM agreement

BY PAUL CHEESERIGHT IN BRUSSELS

THE EUROPEAN Commission and policy, has made clear that the case The Commission alleges that the settling their long-running and con-troversial competition dispute, the nouncement is expected later in the biggest case of its kind in EEC his-

tory.
A formal announcement of how the Commission intends to proceed was planned for yesterday evening but postponed. Officially, the two sides are remaining in contact but the main cause of postponement was the Commission's desire for clarification of one undisclosed

lieved that the terms of an agreement are almost settled, although a breakdown at the last minute is not

If a settlement of the dispute is not reached, the Commission will order IBM to make early disclosure and impose a large fine. IBM will immediately appeal to the Euro-

pean Court of Justice. The Commission intensified its investigation into IBM affairs two years ago. Recently IBM is said to Inside the Commission it is be- sion position. Yesterday it was emphasised in Brussels that some disagreements remained.

IBM is accused of abusing a dominant position in the market for Mr Frans Andriessen, the com- large computer systems in violation missioner in charge of competition of Article 88 of the Rome Treaty.

IBM, the world's largest computer must be resolved by the summer company has restricted competition manufacturer, are on the verge of break. That deadline remains, offiby withholding information that would enable IBM's rivals to make equipment to work with or replace IBM products.

The Commission wants IBM to issue much more technical information about a wide range of products and to publish it 30 days after the products are first announced, instead of waiting until they are shipped to customers. IBM argues that the Commission is seeking to force it to divulge proprietary de-sign information which is vital to its competitive survival.

The technical point still worrying the Commission was on the agenda for a meeting of the 13 commissioners yesterday evening.

Wang results up, Page 17

Europe	Eurobonds	Netherlands: the last great polder project 2	
Companies	Gold	Law: Laker may pursue U.S. anti-trust action 3	
World Trade 6 Britain	Management 10 Market Monitors 23 Men and Matters 14 Mining 22	Management: advice from bank managers 10	
Agriculture	Raw materials	Poland: a calculated gamble on amnesty	
Crossword	Technology 19	Editorial comment: Mondale; UK building societies 14	

Labour wins most seats in Israeli poll BY DAVID LENNON IN TEL AVIV

will be able to form the next coali- za Strip. tion Government.

ple, announced when the polls closed, gave 47 seats in the Knesset (parliament) to Labour, the same as kud bloc of the outgoing Prime Min-ister, Mr Yitzhak Shamir, was given tinued existence. 42 seats, five less than in 1981.

Although the president is likely to invite Labour first to try to form a government, the Likud expressed confidence last night that it would he able to form a new coalition with the small right-wing and religious

It is clear, however, that whicheconomy grew by 7.5 per cent in the ever of the two main parties manages to form a government it will be a fairly weak coalition in constant danger of disintegration.

the markets' perception that the Federal Reserve would tighten credit to prevent the economy from It led to losses for share and bond rices on both sides of the Atlantic, with the FT Industrial Ordinary In within a year cannot be ruled out. in power. dex of British shares falling 20.9

ISRAEL'S Opposition Labour Party won the largest number of seats in it will be very difficult for any govvesterday's general election, ac- ernment to take any dramatic steps: cording to an Israel television fore- on such divisive issues as the future. cast, but it remains uncertain if it of the occupied West Bank and Ga-

Even the tough measures, which The nationwide television sam- are necessary to cure the country's economic ills, may prove difficult to implement if the Government needs to take into account the intert was in the last election. The Li- ests of the numerous small groups

Israel's continued military presence in southern Lebanon and the casualties still being sustained as a two years ago hardly featured as an issue during the election campaign.

The Likud bloc tried to make the future of the occupied West Bank one of the key issues. But although Likud warned the voters that if Labour won it would give away part of the West Bank, the public appeared basically indifferent.

On the other hand, it is that very Israel could be entering a period issue that has aroused great interof political instability as a clearly est in the Arab world over the out-divided nation refused to increase come of the elections. It is assumed come of the elections. It is assumed its support for the main parties and that if Labour wins, the chances of split its vote among the 14 parties.

The possibility of new elections much greater than if Likud remains

Brooke Bond fights bid by Tate & Lyle

BY RAY MAUGHAN IN LONDON

meat group, yesterday rejected a surprise £295m (\$389m) bid from Tate & Lyle, the British sugar refiner, saving the terms were "wholly inadequate and not in the interests of shareholders, employees or cus-

Tate is offering one share and

market price of 101p, up 24p.

in recent days central banks have Tate said vesterday that the areas of direct overlap were negligible In London, sterling remained and it had therefore not approached generally steady, falling 0.5 cents to the Office of Fair Trading to give of food companies."

outline monopolies guidance. Tokyo, Hong Kong shares fall, Page 4; Lex. Page 14; Stock mar-Brooke Bond's marketing expertise kets, Section III; Currencies, in branded foods and grocery products with Tate & Lyle's large-scale

BROOKE BOND, the UK tea and food processing, distribution and re-

tively and grow faster than the two companies individually." Mr Neil Shaw, group manging director of Tate, said the company had started looking for suitable 350p cash for every seven Brooke Bond shares. Tate shares fell 20p to rights issue last September but had 312p to value each Brooke Bond decided against a move into continshare at 94%p against a closing ental Europe. It had been deflected from a takeover in North America Although each company is large-by what he called the "risky dollar ly engaged in the UK food industry." Tate could only have raised parity." Tate could only have raised between \$100m and \$150m, "which does not buy a lot in the U.S.," and

search skills will create a major

force in the food manufacturing in-

dustry able to compete more effec-

Tate claimed yesterday that a Tate said: "The combination of new management team had "suc-

Brooke Bond "was on our buy list

Lex, Page 16 Continued on Page 16

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Fabius keeps cabinet changes to minimum

BY DAYID HOUSEGO IN PARIS

new Prime Minister, who will rates of economic growth as seek a vote of confidence today soon as possible, and to prevent in the National Assembly, has a further rise in unemployment.

Completed his ministerial team M Fabius is expected to anwithout making significant con-

without making againtant concessions to the centre.

The most striking feature is
that there are so few changes
from the outgoing government
of M Pierre Mauroy. Only eight
ministers have left the government, including the four
Communists

ment, including the four Communists.

Among the more striking of the appointments is that of M Haroun Tazieff, France's internationally known volcano expert, to a new portfolio for major technologies and for the prevention of natural disasters. Along with M Hubert Curien, the new Minister of Research, and the driving force of the French space programme, he reflects M Fabius's commitment to new technology sectors.

In part to offset the extra weight of the Socialist Left in the government, M Fabius has also increased the representation of the independent centrist radical movement with the

radical movement with the appointement of M Jean-Michel Baylet, its former president as junior Minister for Foreign Affairs.

In the wake of reports over the weekend that the minis-terial team would only be an interim administration, senior officials insisted yesterday that this government — with only one or two changes — was designed to last until the legislasigned to last until the legislative elections in 1986. Among those who could eventually be replaced are M Claude Cheysson, the Minister of Foreign Affairs, and M Jean-Pierre Chevenement, the new Education Minister, if he should fall out with the Government over economic policy. M Chevenement has been a long-terf advocate of higher economic growth and a critic

economic growth and a critic of the austerity policies that M Fabius intends to pursue. Offi-Fabius intends to pursue. Officials recognise, however, that there could be a need for further tightening if the trade profits, the ending of wage indexation and the progress in bringing down inflation. rapidly. They hope to avoid further deflationary measures—

motion of confidence. According that if the Senate decides to to senior officials, M Fabius will block the referendum project

M LAURENT FABIUS, France's ment's wish to return to higher nounce new job training schemes.

But officials say that there will be no ambiguity over the priority M Fabius gives to pursuing anti-inflationary goals andt o modernising industry. Today's statement of policy is not intended to include any



austerity policies

important new programme. The Government wants to be judged on its acts and not its promises. Among measures cited by offlcials as illustrating the desire to recapture the middle ground are the promised tax cuts in the 1985 budget and the abandoning of the private schools legisla-

On the economic front, the achievements being pointed to as reflecting more centrist goals

In spite of the mounting belligerency of the opposition officials still hope to secure a and say these would be pointed ally difficult—but believe that if they became necessary, M chevenement's departure would not be a calamity.

The Communists are widely expected to abstain in today's September. But they recognise give them some moral comfort the Government will have little by emphasising the Govern- choice but to withdraw it.

Inquiry clears Androsch

BY PATRICK SLUM IN VIENNA

AN INVESTIGATION has Socialist Party of which he is a cleared Dr Hannes Androsch, member. Dr Androsch was the former Austrian Finance appointed to head the bank in cleared Dr Hannes Androsch, member. Dr Androsch was
the former Austrian Finance
Minister, of allegations of tax
irregularities. Following a five-hour hearing by financial
and tax officials here, Dr
Walter Schuppich, president of
the Vienna Chamber of Lawyers
The tax allegations centred
appropriate the claims had
the source of the money been disproved.

been bandied about in the Aus-Gustav Steiner, an adopted trian Press for months. They uncle and long-standing family have deeply divided the friend.

the Vienna Chamber of Lawyers The tax allegations centred announced that the claims had on the source of the money which Dr Androsch used to buy The allegations against Dr a villa in fashionable Neustift Androsch, who now heads on the outskirts of Vienna. He Creditanstalt-Bankerein, the claimed it came from his country's biggest bank, have father-in-law and from Dr

Bonn plans to step up ties

WEST GERMANY plans to

with Iran

intensify its political and economic ties with Iran and is urging other Western countries to do the same. This was made clear yes-terday by Herr Hans Dietrich Genscher, the Foreign Minister, following his return from a two-day visit to Tehran.

a two-day visit to Tenran.

It was the first such trip
by a Western European
foreign minister since the
1979 Iranian revolution which deposed the Shah and brought the Ayatollah Khomeini to

In a radio interview, Herr Genscher said Iran was ready for a dialogue with the West and "we should be receptive to this, for nothing would be more wrong than to isolate this big and important coun-

One key result of Herr Genscher's visit is that the joint German-Iranian eco-nomic committee, set up in 1974 after the first oil crisis. is expected to resume sessions this autumn after a five-year

The West German side is keen to see reactivated bilateral accords on investment and patent protection, and on double taxation, which uartly double taxation, which partly fell into limbo after the revolution.
The Iranians are anxious

for steps to help cut their big trade deficit with West Germany—still their most important commercial partner, in front of Japan.

Last year the West Germans boosted deliveries, the set of confinement and the set of the

Germans boosted deliveries, not least of engineering and chemical products, to Iran by more than 100 per cent to DM 7.7bn (£2.1bn) while their imports—almost all oil—were worth only DM 1.6bn. In the first five bonths of this year the West German bilateral trade surplus already totals more than DM 2.5bn. Imports of Iranian oil are down to \$20,000 tonnes from nearly \$50,000 tonnes in January-May 1983, while January-May 1983, while imports from Iraq, with whom Iran is at war, rose to 915,000 tonnes from 893,000

over the same period. To help compensate for the trade imbalance, the West Germans are ready to boost their efforts to train Iranian technical and management personnel.

Danish minister quits coalition

By Hilary Barnes in Copenhagen THE LEADER of Denmark's Liberal Party, Mr Henning the four-party non-Socialist Government yesterday. His job as Finance Minister has been taken over by Mr Palle Simonsen, a Conservative and formerly Social Affairs

formerly Social Affairs
Minister.
Mr Christopherser has
resigned to become Denmark's EEC Commissioner
from next January. He does not aspire, however, to the agricultural portfolio held by the present Danish Commissioner, Mr Poul Dalsager. ● The Danish trade deficit for the first half-year rose to DKr 4.6bm (£2340m) from DKr 370m (£27.5m) last year, according to preliminary figures. Imports increased by 18 per cent and exports by 12

Ten disagree over new members

BY QUENTIN PEEL IN BRUSSELS

EUROPE'S foreign ministers yesterday failed to agree on several key issues over the intended enlargement of the EEC to include Spain and Portugal, in spite of a theoretical deadline to iron out the remaining problems before the end of September.

Measures to limit wine and olive oil production and the presence of the several deadline to iron deadline to iron out the remaining problems before the end of September.

Measures to limit wine and olive oil production and the presence of the ten member states in the ten member states in the first of the necessary "qualified in the enlarged Community, but the enlarged Community was also agreed. This allows one for each member state called for a rapid report by the case future decision-making.

With each member states be set at 52. Britain had originally pushed for a more restrictive figure of 57.

On the question of wine production. M. Roland Dumas, the enlarged Community was also agreed. This duction. M. Roland Dumas, allows one for each member state called for a rapid report by the case future decision-making.

With each member state duction could be carried, by imaging limits equitably through the enlarged Community.

With each member state of 13 judges to the European Court in the enlarged Community was also agreed. This duction. M. Roland Dumas, allows one for each member state with one extra judge to called for a rapid report by the case of the curve and the present of the enlarged Community was also agreed. This duction, M. Roland Dumas, allows one for each member state to figure of 57.

On the question of wine production. M. Roland Dumas, allows one for each member state with one extra judge to called for a rapid report by the case with one extra judge to called for a rapid report by the case with one extra judge to case of the curve figure of 57.

With each member states with figure of 57.

On t

olive oil production and the precise voting system for the future enlarged Communty, have still to be resolved before further progress on Spain's accession

Ireland, a former foreign mini- at the Foreign Office responsible man in the street — what has ster and close adviser of Prime for Europe, while France has been called a "people's Minister Garret FitzGerald. Al- put forward M Maurice Faure, Europe."

its population size, the proposal out the enlarged Community.

75. Belgium wants the level to to the capital of the European

above the 7.5 per cent in May, is for the necessary qualified However, there was progress the Community's statistics majority to be 54 votes out of on some institutional questions agency Eurostat said yesterday, the post-enlargement total of including Spain's contribution Reuter reports from Luxem-

Irishman likely to head Spaak Committee

BY DAVID WHITE IN MADRID

BY OUR MADRID CORRESPONDENT

is for the necessary qualified

Strike by Spanish pilots ended

THE OFFICIAL arbwitrator and in handling minimuservice agement in its efforts to cut

pointed to resolve a five-weekflights. The arbitrator said these costs, but rejects a redundancy
old pilots' dispute at Iberia, the
Spanish national airline, yesterday presented a report calling
for a freeze on current staffing

Gonzalez meets Catalan leader

SR FELIPE GONZALEZ, the Spanish Prime Minister held four hours of talks here yesterday with Sr Jordi Pujol, head of the autonomous government in Catalonia, in a bid to keep the bridges open between Madrid and Barcelona despite a record low in relations.

The the meeting was overthat the charges of irregularities at the bank, directed against Sr against himself and 24 other former directors, arise from purely political motives and that the central government is anxious to obtain a conviction in order to avoid serious embarassment.

Yesterday's talks focussed on the two men for six months, which is being investigated by a the process of transfers of re-

the takes the first between the two men for six months, which is being investigated by a the process of transfers of rewered described by Sr Gonzaleh Barcelona court, was not sponsibility from Madrid to the as positive but appeared to do brought up in the discussions.

The Catalan leader considers four years ago.

Romania gives canal go-ahead

The canal was designed to

attract freight from Western Europe bound for the Middle

East, but West German ship-pers said they doubted it would

Mr Ceausesmi last month

gain much business.

levels and setting a moderate that if the court finds in their 3.5 per cent salary increase for favour the company would have

this year. to re-employ them and would The decision, which is bind-not have the normal option of

ing for both sides automatic-ally brings the strike to an end In addition, the arbitration

but is strongly contested by the pilots' union, Sepla.

The union yesterday challenged the impartiality of the arbitrator, Sr Juan Ignario compulsory arbitration procedules last week when the dead-

official mediation board, and lock deepened as a result of the said it would seek to appeal to the Constitutional Court.

The most contentious issue is who is also secretary general of

THE ROMANIAN Communist largest investment project and Party has approved the construction of a 74km canal to link Bucharest with the Danube try and agriculture.

It stipulates that manning current levels shuold be main-

tained at least until the end of

took part in ceremonies to

begin construction of the vast House of the Republic in south-western Bucharest which is to

house the Communist party,

the Government and the Coun-

cil of State. The complex will be surrounded by newly-built ministries and other state insti-

tutions and will be joined to the city centre by a monumental

the union.

THE FIRST of the people though his appointment has not a veteran politician of the Radiscal Left.

The First of the people though his appointment has not a veteran politician of the Radiscal Left.

The First of the people though his appointment has not a veteran politician of the Radiscal Left.

Britain has also chosen Mr the British nominees at yester-development of Europe and its institutions were named yester-development of Europe in the Cabinet office, as the people in the Cabinet office, as the committee is expected to be Senator Jim Dooge of That Committee will be Mr Malcolm to be Senator Jim Dooge of Rifkind, the Minister of State Left.

Sir Geoffrey Howe, the Foreign Secretary, put forward Cavity and the British nominees at yester-David Williamson, Mrs Margaret Cabinet office, as its member of the parallel and Covernment's committee the long range development of the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the Britain has also chosen Mr the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the Britain has also chosen Mr the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead of the Britain has also chosen Mr the British nominees at yester-David Williamson, Mrs Margaret day's Foreign Council ahead nine member states in the con-tinuing wrangle over how to finance the EEC budget.

Ruiz-Mateos released

By Jonathan Carr in Frankfurt

THE FUGITIVE Spanish

Any vacancies during this period are to be filled from a (regional) list of 34 accepted candidates who were to have joined Iberia The under a 1983 agreement with The arbitrator decided, however, that the company was in no financial state of fulfil its pledge to take on extra pilots as demanded by the strikers. the failure to reinstate ten pilots

Sepla.

The strike has resulted in the cancellation of between 10 and strike for alleged irregularities the state-owned airline's man
15 per cent of Iberia flights

The court also imposed as conditions that the business-

Sr Ruiz-Maeos (53) is a fermer head of the diversified Rumasa enterprise—exprenent more than a year ago on grounds this was the only way to head off financial discrete.

Soon after the exprepria-tion Sr Ruiz-Mateos field abroad—initially to Britain. West German authorities on April 25 at Frankfurt when he arrived on a flight from the United States.

Since then, he has been fighting a battle in the courts against Spain's demand that he be extradited to face charges which include currency offences, forgery and appropriation of tax funds. Sr Ruiz-Mateos has denied the

It is not clear when the West German authorities will take a decision on whether or not to extradite. It is under stood that the court in Frankfurt has requested that more documents be sent from Madrid before reaching a

on bail

business magnate, Sr Jose Maria Ruiz-Mateos, is being freed on bail pending a decision on whether to extra-dite him to Madrid.

The (regional) state supreme court in Frankfurt yesterday agreed to release Sr Buiz-Mateos on payment of "a suitable sum" in ball. He has been detained here for three months. Officials declined to confirm reports that the figure involved totalled several million D-marks.

man should not leave the Frankfurt area, that he must report to the authorities once a week, and that his passport would not be returned to him for the present.

Dutch support ebbs for turning the tide

Walter Ellis reports on growing doubts about two giant projects

and the Black Sea.

President Nicolae Ceausescu inaugurated in May a 64km-

long canal, which shortened the journey down the Danube to the Black Sea and took more than 10 years and an estimated \$3bn to build. It was Romania's

DUTCH EXPERTISE in land reclamation long ago reached the point where, if they had wished, engineers could have given the Netherlands a coastline not unlike the borders of Wyoning: unbroken and square.
Some did in fact see this
development as desirable and
natural, and even today there are pockets of resistance to the ecology-leisure lobby. Fortunately, perhaps, they did not have their way, and there are still large parts of the country in a

Equally, there are large parts which are entirely "unnatural." The Old Zijder Zee is already an inland lake and much reduced in size, known as the lisselmeer. Zeeland, the peni-sular province in the south-west, is being partially enclosed from the sea. And of the established Netherlands, some 30 per cent is reclaimed land. Sea battles were once fought in what is now Schiphol airport: its name means "ships' hell."

The arts of reclamation, including polderisation, are ancient; modern technology merely speeds things up. Opposition, though, has grown to one of the last great projects—the polder in the Ijsselmeer—and there is continuing concern about the enormous cost of the Zeeland project.

The cabinet is expected to take a decision in September on the Markerwaard polder which would create 40,000 hecteres of land in sight of the traditional fishing ports of Volendam and Hoorn, The cost is put at some Fi 1.8bn (£430m) but the big question is: who

case is economic and political. For while the Eastern Scheldt Project, to give it its proper title, is a prestige development

questioned. The auxiety in this turned the entire southern sec- and, as followers of one of the that costs be met by private

of truly staggering proportions ing the northern section, was —some four times wider than drained between 1937 and 1942 the Thames Barrier—its cost and is now prime agricultural seems to be calculated on a land. The East Flevoland polder

COMPUTER BRAIN DRAIN FEARS

GOVERNMENT plans to boost the pay of key computer personnel in the civil service have run into difficulties with the universities, who fear a brain drain into the public sector, writes

walter Ellis.

Mr Koos Rietkerk, the Interior Minister, wants to give computer specialists in automation a 16 per cent supplement to their regular nay He is concerned that pay. He is concerned that many gifted computer experts are being lost to the private sector, where wages are higher. Administrators of the Netherlands' prestigious tech-nical universities, however, have warned that this would

massive taximeter for which DO off-switch can be found. Present estimates are for a final bill of F1 8bn, 275 per cent up on first costings. But the

leave them as the prime target for industry's poach-One top researcher for

Philips, the electronics group, is quoted as saying that as a professor he could not expect to earn more than Fl 12,000 (£2,870) per month, which would not be sufficient to attract him away from industry. Systems analysts and senior programmers in the civil service currently earn between FI 4,746 (£1,135) and FI 6,364 (£1,522) per month, which is up to FI 1,000 per month less than they could from private employers.

rose in the 1950s and is now joined by the more recent South Flevoland complex Marker-waard to the west would complete the picture. Several main objections have

The Markerwaard scheme was conceived towards the end of the last century by Dr Cornelis Lely, an hydraulics engineer with a vision to match the era of industrial expansion in which he lived. It was to be the last wants it?

Down in Zeeland, the necessity for some sort of a barrier against the occasionally rampaging sea has never been lisselmeer that would have line in mustry it once was. There are traits and Liberals, is prepared to approve the project, probably after the announcement of the project, probably after the announcement of the lived. It was to be the last in years past. But it is important the 1985 budget this autumn.

In the project, probably after the announcement of the project probably after the project probably after the project probably after the project project probably after the project project probably after the project proje

tion of the one-time Zijder Zee country's most ancient trades, interests.

into a substantial twelfth Dutch the fishermen have wide province.

The North-East Polder, formTo get round this problem, it has said that it might be pre-

has been proposed to leave a pared to help, while a consor-channel along the western edge of the new polder, which Lelystad, "capital" of Flevo-would also give access to land, has recently offered to Amsterdam, but many are put up some cash. Elsewhere,

intact. They are supported by give its approval. the leisure industry, which sees If the Markery. the existing Ijsselmeer as a valuable resource. Boating, wind-surfing and fishing for sport all take place where the Markersacra toes go the markeryaara toes go the markeryaa Markerwaard would rise. Finally, there are those who are worried by the cost. Why spend billions on a project about which enthusiasm is so clearly in short supply, they ask?

Successive governments have avoided the problem by getting on with less controversial work elsewhere. When the other polders were constructed, costs were less and the Dutch population was growing fast. Today, the recession is with us and the number of Dutch is level-ling off at around 14.5m. Those who want the Marker-

waard to go ahead are mainly towns. farmers and would-be farmers, keen to obtain large land hold-

put up some cash. Elsewhere, there has been reticence, and Then there are the conservationists who want to keep the marshlands and breeding enthusiasm are there, it is difgrounds for birds and animals
there has been retreence, and
unless the cabinet is convinced
that the money and the
enthusiasm are there, it is difficult to see how it can possibly If the Markervaard does go

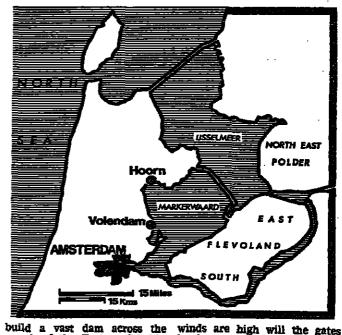
> area, leaving a narrow channel to the west, and the shallow waters of the Ijsseimeer will be gradually pumped dry. Three or four months later, reed seeds would be scattered from light aircraft over the mud and proper drainage ditches installed. Within four years, the first

rough crops might be expected, 2 much more costly and and people would begin to move sophisticated storm surge baron to the land. After eight or nine years, the process would be complete, though maturation would take several generations. Trees and bulbs might be expected to flourish. Little industry is planned, and no real

when the North Sea flooded large parts of Zeeland. It was determined that nothing of the kind should ever recur, and trumpeted by the Greater successive governments have since been burdened with making good that pledge.

The light wonder of the world."

Only when the sea and the



mouth of the Eastern Scheidt, where the river enters the sea. But the outcry from fishermen and environmentalists was such wav. that this was abandoned, and rier was recommended. Work had already begun on the first proposal, but it was not until 1976 that the second one got under way. By 1986, 62 sluice gates, slung between vast concrete pillars, each weighing 2,000 The Eastern Scheldt Project tomes, will stretch across an is much more a product of modern technology. In 1953, 3,000 people were drowned when the North Sea flooded large parts of Zeeland It was hydraulics has proven extremely complicated. When finished, the project will dwarf

be lowered. For the rest of the time, they will be monuments bearing aloft a motor-

It is the expense which has outraged many. An inquiry by the State Accountancy Office blamed both the original centre-left Government of 1973-78 and Parliament for not building inflation into the estimates. The barrier has gone ahead regardless and is sure to be a showpiece for Dutch engineering.

Perhaps, though the Dutch will low conscier that the Netherlands is finished. It has been a long haul. They are keen to preserve their special skills, and they are sure to be looking for new causeways to build and new seas to drain. But public support, like the waters in a ring dyke, is Only when the sea and the slowly draining away.

Poles fail to pay arrears to U.S.

By David Buchan in London and Quentiz Peci in Brussels

POLAND HAS pursued an POLAND HAS pursued an apparently deliberate tactic of discriminating against the U.S. in official debt rescheduling talks, according to Western officials. They suggest this may frustrate Polish hopes of a speedy dismantling of all sanctions by the U.S. in the wake of General Wolclech Jaruzelski's weekend amnesty for lolitical prisoners.

weekend amnesty for lotitical prisoners.

Poland has so far not paid any of the outstanding arreas on 1981 debt principal or on interest arrears due to the U.S. since 1981, while it has paid at least some money to all its other Western government creditors.

The White House yesterday said it was studying the Polish amnesty declaration, and that President Bonald Reagan would have something further to say on the matter in the next few days. The general expectation is that the U.S. administration will announce relaxation of some, but not all, sanctions.

Foreign ministers of the European Community yesterday welcomed the release of Poland's political prisoners and detainees, and expressed the desire to return "to a more normal relationship with Poland as actual developments in that country permit." Like the U.S., the EEC stopped short of any precise move to lift the remaining sanctions in force,

The majority sentiment in the

ing sanctions in force.

The majority sentiment in the EECV, most of whose members joined the U.S. in emposing sanctions on Poland in January 1982 after martial law, is for a resumption of high-level political contacts, with the Warsaw resumption of nighteet points cal contacts with the Warsaw government, and for the unblocking of Poland's application to join the International Monetary Fund, which has been obstructed by the U.S.

At the same time there is considerable symmethy for the

considerable sympathy for the U.S. about the lack of co-operation it has received from Poland in official debt talks. At this month's meeting of the Paris club group, the Western countries agreed that to further progress could be made until Poland was more forth-coming towards the U.S. The U.S. has not been paid its share (\$36m) of 1981 debt

principal not covered by reprincipal not covered by resceduling agreement of that
year, while other creditors have
been paid in full. The U.S. is
due to get at least 20 per cent
of the \$118 it is owed in
interest arrears since 1981, but
has not been paid by Poland.
Wersaw has paid all other
Western official creditors 2 portion of what they are owed. tion of what they are owed.

Polish officials stand on the technical fact that the U.S., unlike other Western governments, did not get around to signing a bilateral rescheduling deal in 1981 before martial law was imposed.

Till to

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Tikhonov visits ex-Solidarity stronghold

By Christopher Bobinski in Warsaw

THE SOVIET Prime Minister, Mr Nikolai Tikhonov, yesterday visited the Warsaw steelworks, a former stronghold of the a furnier stronghold of the Solidarity movement but which also has a notoriously hardline Communist party cell. His visit was part of the programme to mark the 40th anniversary of Communist Poland. The plant also has one of the

more active and independent of Poland's workers management councils which were introduced under reform legislation three years ago. The council is in conflict with the small and un-popular works trade union and with the management over who is to have the final say over is to have the final say over welfare spending in the plant, but its chairman, Mr Andrzej Milkowski, was on hand to meet the Soviet Premier and invited to listen to the set speeches.

Mr Tikhonov said in his speech to 300 representatives of the 10,000-strong workforce that he had been involved in the works when in the 1950s it had been a joint Soviet-Polish investment project.

vestment project.

This indirect Soviet recognition of the workers' council at the steel plant will strengthen Mr Milkowski's hand in the face of accusations that he and his colleagues are no more than a Solidarity front.
Meanwhile, a small group of relatives waited in valu yester-

day outside Warsaw's Rako-wiecks Prison in the release of the first of the 600 political prisoners

Space weapons bid

The Soviet Union said yesterday it had proposed that Moscow and Washington issue a joint statement that they were ready to conduct negotiations on space weapons, Reuter reports from Moscow. The official Soviet News Agency, Tass, meanwhile denied reports that Moscow was ready of return to nuclear arms $\psi_{M^{iVi}}$ didom ready ot return to nuclear arms talks with the United States if the West declared a freeze on deployment of cruise and Pershing missiles in Europe.

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Pale

White House officials said the President was anxious to talk with Sr Duante, who was return-ing from a visit to five West European nations, in order to learn from him how the El Salvador Government's fight against left-wing guerrillas in the country is proceedings.

The meeting came as Congress reconvened yesterday for a three week session between the democratic and republican party presidential nominating convention amid expectations that the Administration would have as one of its highest legislative priorities a move to persuade legislators to provide new funds for the El Salvador Government and for rebels seeking to overthrow the left-wing Sandinista Government in

The Administration is asking Congress to approve a further \$21m in this fiscal year for the Nicaraguan rebels as the \$24m already appropriated is virtually exhausted. Hitherto Congress as balked at a new appropriation of funds. The Administration has also requested an additional \$117m in military aid to El Salvador this

year and \$132.5m in 1985. The question of finance to support the Administration's Central American policy is one of several highly controversial topics Congress will debate in the limited time available before it adjourns on October 4 to permit members to campaign for the November elections.

Financing of the fiscal year 1985 defence budget is still un-resolved. The Senate has approved a 7.8 per cent rise in military spending to \$299bn for 1985 whereas the House has approved only a 3.5 per cent in-crease in real defence spending

A House-Senate conference is also due to try and resolve differences between the two chambers of the legislature on proposed changes in immigra-

Guyana announces measures to curb gold smuggling

MR FORBES BURNHAM, the President of Guyana. has said his Government is taking steps to curb gold smuggling which is costing the economy \$360m (5273m) a year.

"I think it will not be long before we are able to turn around our position as far as foreign exchange is concerned."

Speaking about negotiations

officially at three tonnes per ventures in fishing and forestry year, but the president said the country's economy was suffering through smuggling. "We are dayana nau entered into joint ventures in fishing and forestry with China, and that these, with the initiatives in gold, should help the embattled economy.

Mr Burnham did not disclose the measures which were being taken against smugglers, but (£273m) a year.

Guyana has also signed a joint venture agreement with a Yugoslavian Government agency, to expand gold mining.

Guyana's gold output is put officially at three tonnes per year, but the president said the pr

come to an agreement soon is in the lap of the gods. Certainly

Oil producers to seek minor changes to San Jose accord

BY OUR CORRESPONDENT IN MEXICO CITY

MEXICO and Venezuela will make 'adjustments" rather than major bastida, said on his return from

Caracas, this week. Under the accord the two coun-10 nations of Central America and the Caribbean on terms which al- recipients kept to them.

Sr Labastida said the accord on concessionary terms. Mexico, changes to the San Jose accord ditions that mean no interference when it comes up for renewal for a in politics of the recipient countries, fourth year on August 3, Mexico's but which also take account of the Energy Minister, Sr Francisco La-economic circumstances of our country."

Diplomatic sources said that, rather than making any fundamentries would supply an average tal change in the terms of the ac-160,000 barrels per day of crude to cords, the two countries would probably step up efforts to see that

low them soft credits for the payment of at least 20 per cent of the has been refusing to supply Nicaragua because of failure to pay, even

would continue "on terms and con- which publicly supports Nicaragua's left-wing government, has been accepting part payment in

Sr Labastida refused to comment

on reports that Mexico will cut supnlies to Costa Rica because it has built up a \$15m payments backlog. Despite the problems of imple mentation of the accord, its abandonment is viewed as inconceivable in Mexico, where it is seen as a vital element of the country's policy in

Sandinistas 'deny visas quits to run to foreign priests'

MANAGUA - The leader of Nicara-gua's Roman Catholic Church said between the Government and the Church to their lowest point since nying visas to foreign priests and 1979.
nuns who want to work in Nicara-

"For the moment I have registered seven cases where they sored protest march. have denied visas to priests and certain nuns to enter the country," said Archbishop Miguel Obando y Bra-

The Government has not explained the visa denials, he said. priests and nuns who were denied came involved in partisan politics." visas included Italians, Mexicans he said. and Costa Ricans.

priests on July 9 brought relations gaining power.

the left-wing Sandinista junta is de- the Sandinistas came to power in

The explusions came hours after a group of priests and their supporters conducted the first church-spon-Sr Obando y Bravo said the expelled priests were "men who dedi-

cated themselves full-time to serving the poor and preaching the true "They were priests who had been Sr Obando y Bravo said the in Nicaragua 10 years and never be-

The Sandinistas have expelled 19 The expulsion of 10 foreign Catholic priests and nuns since

the region by giving disinterested aid to politically diverse regimes. Ouebec banker

in election By Robert Gibbens in Montreal

MR RAYMOND GARNEAU, Quebec Minister of Finance when Canada's new Prime Minister, Mr John Turner, was federal Finance Minister in the early 1970s, is leaving the chairmanship of a Montreal savings bank to run in a Montreal riding (constituency) in the September 4

Mr Garneau, chairman of Montreal City and District Savings Bank and of a National Mortgage Company subsidiary, Credit Foncier, for the past seven years, is an economist by training but has 20 years or more of provincial political experience behind him.

Fed calls for capital ratio boost for banks

By Paul Taylor in New York THE U.S. Federal Reserve Board yesterday joined other U.S. bank regulatory agencies in proposing new rules which would force American banks, including four of the six largest banking groups in thecountry to further bolster their capital

Earlier this month the Federal Insurance Deposit Corporation (FDIC) and the U.S. Comptroller of the Currency proposed new regulations which would require the nation's 14,000 banks to maintain a minimum primary capital to assets ratio of 5.5 per cent and a minimum capital to assets ratio of 6.0 per cent.

The Fed said yesterday that its board of governors had voted unanimously to adopt the same proposed bank capital ratios although, unlike the FDIC and the comptroller, the Fed said the new ratios would be "guide-lines" rather than regulations.

Despite this distinction, U.S. banks which fell below the minimums would be under intense pressure to improve their ratios either by trimming assets or by raising new capital. Many of the major U.S. banks have already had to raise new capital in order to meet the current 5 per cent primary capital ratio guidelines laid down by the Fed to cover the U.S.-based multi-national banks.

According to the FDIC, about 700 U.S. banks currently fall below the proposed new ratios and figures released by the Fed yesterday suggest bank holding companies would have to raise as much as \$5.37bn to reach the six per cent total capital to assets ratio.

The Fed said four of the 25

largest bank holding companies fell under the 5.5 per cent primary capital level at the end of March. Since then two o these banks have raised additional capital. But, according to the latest quarterly figures just released. Manufacturers Hanover, the fourth largest U.S. bank, would currently fall below the new proposed guidelines with a 5.46 per cent primary capital ratio at the end of the second quarter, as would Citicorp, the nation's largest bank (5.34 per cent). Chemical, the sixth largest U.S. banking group (5.25 per cent) and Bank-America, the second largest U.S. banking group (5.14 per

BUSINESS LAW

Laker ruling may heal rift with U.S. courts

trust and punitive damages case in against BA and BCal, he might conthe U.S. against British Airways sider appointing a trustee or guardand British Caledonia should go a long way towards healing the rift case. that the Laker affair has caused between the courts of the two coun-

The decision is likely to have been especially welcomed in the U.S. District Court for the District of Columbia in Washington, where Judge Harold H. Greene has been holding a series of preliminary hearings in the anti-trust case for the past 18 months.

Judge Greene has more than once fulminated against the part played by English judges in the litigation, regarding interventions by the English courts, in a matter he sees as wholly the province of the U.S. courts, as unwarranted and unjustifiable.

It was after England's Court of Appeal ruled last summer that the liquidator must drop the cases against BA and BCal - an order Judge Greene characterised as "premature and improper" - that he appointed a distinguished Washington lawyer, Mr Stephen Pollak, to advise him on what action might be taken to restore the primacy of the U.S. courts.

Apart from being understandably jealous of the authority of his court, Judge Greene expressed concern about the effect of the English litigation on U.S. anti-trust laws. It might, he feared, drain those laws of their vitality with respect to

THE BRITISH Law Lords' decision to allow the liquidator of Laker Airways to continue his \$1.75n antitue damages case in against BA and BCal, he might conian to take over that part of the

The fact that Mr Pollak advised him that there was no precedent in U.S. law for such an appointment will have made the Law Lords' ruling a cause for particular satisfaction in Judge Greene's chambers.

Meanwhile, the U.S. Justice Department's grand jury is continuing to investigate the possibility that the facts of the Laker case disclose grounds for initiating criminal anti-

In May the department announced that it would be taking no further steps over an allegation that there was a conspiracy to wreck a plan to refinance Laker after its col-

It is, however, still looking at other aspects of the case, including, it is understood, allegations that Laker's transatlantic competitors and others conspired to destroy Laker by means of an agreement fixing "predatory" - i.e. loss-making fares, to attract potential customers from Laker's Skytrain ser-

been contended by the UK Governhad breached the Anglo-U.S. Ber- corporate character. muda Two civil aviation agreement, the remedy was by arbitration between the two states, or by diplo-

Foreign Office and other Whitehall officials have had several meetings with their U.S. counterparts in an attempt to get the grand jury proceedings dropped, on the ground that the issue was one to be re-

solved within Bermuda Two. Another meeting is due to be held shortly at which the British side will be looking for, at the very least, an agreement to take the matter to arbitration, as provided for in Ber-

One of the problems as far as the U.S. is concerned is that there is a conflict of views between the Justice Department and the State Department, the latter being powerfully aware of the international ramifications while Justice is primarily concerned with defending U.S. domestic law.

Another factor is that, while dip lomatic and/or political pressure might lead to curtailment of the grand jury investigation, or, failing that, to findings that the UK could live with, such a scenario can hardly be in prospect as regards the civil court action.

Finally, there is the matter of the impending privatisation of BA, due to take place next May.

The airline has throughout de-Lord Scarman observed in his nied the conspiracy allegations and udgment last week that if - as has professed itself confident that if the anti-trust action does come to ment - the U.S., by invoking its antrial, it will have a complete defence ti-trust laws against BA and BCal, and emerge without a stain on its

> Raymond Hughes Law Courts Correspondent

Poll boosts Mondale campaign

BY STEWART FLEMING IN WASHINGTON

THE SELECTION of Ms Geraldine Although political opinion polls Ferraro as his vice-presidential run- have been especially volatile this the current issue of Newsweek. ing mate and the successful Demo- year, the poll suggests a dramatic which said Gallup interviewed 1,006 cratic convention last week seem to recovery in Mr Mondale's fortunes. have given former Vice-President Walter Mondale's campaign for U.S. president a big boost.

A Gallup presidential preference poil commissioned by Newsweek magazine shows Mr Mondale and Ms Ferraro ahead of President Ronald Reagan and Vice-President George Bush by 48 per cent to 46

The poll undoubtedly reflects the immediate impact of the blanket gan could be trailing by as much as press and television coverage of the Democratic Party in the past few days. Nevertheless it suggest that
President Reagan's decision to hit
James A. Baker III, said he was not the campaign trail early this week surprised by the poll results and to regain the political initiative was said that they were expected to be

The poll results were published in poll's margin of error was 4 percentage points, which means Mr Rea-52-42 or leading 50-44.

White House chief of staff Mr

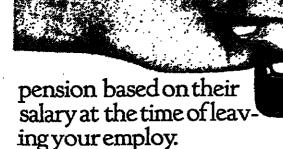
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You don't need us to remind you about the burden of administering frozen pensions.

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they stand to collect is a preserved



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Eroded, of course, by the

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Tokyo shares fall, yen lowest in nearly a year Marcos aims

BY ROBERT COTTRELL IN TOKYO

THE TORYO Stock Market, hit revision of the U.S. second who said it then have become next major psychological break- it Japan's fourth largest-ever point would come at Y247.80 corporate collapse. Its shares largest corporate failure on and the appearance of Mr Paul The official noted that Japan's against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the dollar, the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y175 against the U.S. had fallen last week from Y record, fell yesterday to its Volcker, chairman of the U.S. own officially-guided interest dollar's highest cross-rate since on Monday to Y94 on Friday, and were finally suspended at large remain at significantly 1983. during the morning at Y246.30 tomorrow. against the dollar, its weakest against since September last economic activity coupled with

slightly stronger at Y245.75, ease credit could s against Friday's local close of interest rates higher. Y243.40. The Tokyo Stock "Nobody is courageous slack. Market Dow Jones Index closed enough to take a bearish High

exchange market was "fairly yesterday. "It is an extreme spooky" according to one reaction to earlier wrong fore-

Senate committee hearing

The yen closed in Tokyo an official determination not to an official determination not to ease credit could send U.S. Despite the relatively the Tokyo Stock Market yester day, which saw its sixth largest consumer goods.

"Nobody is courageous slack.

"Nobody is courageous enough to take a bearish High U.S. rates, meanwhile.

"High U.S. rates, meanwhile.

"Les dollar fed through into deliversity into higher-technology day, which saw its sixth largest consumer goods.

Analysts say the stock market was shaken durket may enjoy a technical rebound, perhaps at the 9,700 or

Yesterday's Tokyo foreign the country's central bank, schange market was "fairly yesterday. "It is an extreme banker, with traders hesitant casts of the inevitability of the II the U.S. dollar maintains Riccar's debts are estimated ended. before today's scheduled official fall of the dollar. Those people its upward course in Tokyo, its now at Y105bn (£324m) making Riccar court protection, Page 18

denate committee hearing lower levels than U.S. rates. omorrow.

Japanese 10-year bonds currently yield around 7.9 per cent, more than five percentage yen's weakening against the points lower than U.S. bond U.S. dollar fed through into

High U.S. rates, meanwhile. at 9,703.35, for a loss of 222.80 view (on the dollar)," said an are attracting large outflows of Riccar, a large sewing-machine on the day.

Official of the Bank of Japan, Japanese capital, outweighing manufacturer, had in effect, balance of payments.

If the U.S. dollar maintains

creditors. Riccar's debts are estimated ended

Wall Street's downward finish

to last week, fears of higher

U.S. interest rates, and the yen's weakening against the

Y70 yesterday afternoon. Riccar lost Y825m net in

the year to end-March 1984. Analysts say its problems derive from having failed to

are attracting large outflows of Riccar, a large sewing-machine 9,500 level. But they believe Japanese capital, outweighing manufacturer, had in effect, in recent months the current acknowledged bankruptcy by which took the Tokyo Stock account surpluses in Japan's seeking court protection from its Exchange Dow Jones Index up to a record 11,190 in May has

Fears over Sino-British talks hit Hong Kong markets



Sir Geoffrey Howe

SHARE PRICES fell in Hong Kong yesterday as nervous stock market operators London that secret Sino-British negotiations over the future of the territory had

run into difficulties.

The Hang Seng Index, the territory's primary stock market indicator, slumped by over 54 points to end the day at 747.02, the second lowest point this year.

The stock market has been in almost constant decline since April 20, when Sir Geoffrey Howe, Britain's Foreign Secretary, publicly revealed that China would regain sovereignty over Hong Kong after 1997. The day is

still referred to as Black Friday by local people. Stock market operators blamed the fresh falls on worries that talks in Peking between Britain and China over what will happen to Hong Kong after 1997 faced "intractable problems."

Several London newspapers over the weekend quoted British Foreign Office officials as saying that Britain was "worried" about progress in the talks, and was drawing up contingency plans in case China went ahead alone. announcing its own blueprint for the colony's future if the British Government falled to agree a draft deal September.

The imminent arrival of The imministratival of Sir Geoffrey Howe for further talks in Peking was another contributor to local jitters. The memory of his Black Friday speech is still fresh, and market operators are libely to remain persons until likely to remain nervous until he talks publicly after his Peking visit. He is expected to hold a Press conference

on Wednesday next week.

The stock market collapse colorided with the arrival in Peking of Sir Edward Youde, Hong Kong's Governor, for the 19th round of Sino-British talks on the colony's future. Meanwhile, in Hong Kong,

negative—comments about the Hong Kong Government's plans for political reform, outlined in a Green Paper last Wednesday.

The New Evening Post was typical when it said the

paper had been drafted too quickly, was unclear on some critical points, and was intended to tie Peking's hands beyond 1997. It said too little time had been allowed for debate.

China's own position is yet to be elaborated. The only official comment so far is a Foreign Ministry statement that the Chinese Government "undertakes no obliga-tion" over the plan.

Rise in South Africa's inflation rate gathers steam

BY JIM JONES IN JOHANNESBURG

rate continued to rise in June single digit inflation was in register yet another advance this month. June's consumer price index of 291.2 was 11.7 inflation have not been matched per cent higher than that of by action. In May this year M2 reach 60 cents unless the all-parliament that R450m of the contribution of the parliament that R450m of the contribution of the parliament that R450m of the contribution and is widely predicted to said in a written statement to parliament than that of the contribution have not been matched and is widely predicted to said in a written statement to parliament than that of the contribution have not been matched and is widely predicted to said in a written statement to parliament that R450m of the contribution in this fiscal year, the Government said.

nomic recovery abroad are be-ing felt in the Japanese econo-

my as a whole through an in-

crease in exports. According to

the provisional national income statistics announced in the

increased 18 per cent in the January-March period over the

preceding quarter. The growth

rate was far larger than the

preceding quarter's 08 per cent. While the high real GNP

growth for the January-March

period was partly attributable

to the influence of the leap

year, the underlying uptrend of

business since last year was maintained even after discount-

Among major demand fac-

tors, conspicuous growth was

achieved in exports (up 4.4 per

cent over the preceding

quarter) and in corporate cars-

tal investment tub 3.0 per

cent). The strong performance

of exports reflected recovery of

tecularly in the U.S., while the

increase in capital investment

stemmed from improvement of

with a rise in the operating

Personal consumption, on the

other hand, continued to be

sluggish. Private final con-

sumption expenditures rose 0.5

per cent in the October-Decem-

ber period last year and 1-1 per

period this year, each over the

the January-March period,

however, largely reflected the

influence of the leap year,

when adjusted for this factor,

the growth rate diminished to

0.3 per cent or so. Private hous-

ing rose 5.7 per cent in the

was down 2.3 per cent in Jan-

Helped by high growth in the

January March period, the real

proved to be a higher-than-ex-

pected 3.7 per cent, which ex-

ceeded the 35 per cent for

fiscal 1981 and 3 3 per cent for

Feeling of boom spreading

As for contributions to GNP

fiscal 1982.

over industries

receding quarter Growth for

in the January March

ing this special element.

SOUTH AFRICA'S inflation cent in February this year that sistent decline against other R1.143bn (£580m) on economic rate continued to rise in June single digit inflation was in currencies.

DKB ECONOMIC REPORT

growth, that of domestic de-mand dropped to 1.9 per cent from fiscal 1982's 2.9 per cent.

while that of current overseas

surplus (exports minus um-

ports: rose to 1.8 per cent from 0.4 per cent. The contribution of

despite relatively strong plant

ply because personal con-

sumption demand was weak

due to slow income growth. The

share of the current overseas

surplus rose due to strong ex-

ports that had prevailed since

the start of the fiscal year.

ports that started only at the

Macro business recovery, as

seen in the GNP, is clearly reflected in enterprises' assess-

ment of business. In the Bank

of Japan's short-term business

survey (conducted as of May).

the percentage of major manu-

facturing concerns that assess

their business condition to be "good" came ahead of that of

concerns with "poor" assess-ments. This was the first time

since August 1980 that com-panies with positive assess-ments outnumbered those with

negative assessment. In Sep-

tember, the difference is ex-

pected to broaden to 21 per-

centage points from the 11 points in the May survey.

sector also, the "good" assess-ment has gradually been in-

creasing, while the "poor" as-

sessment has been on the de-

chne. In the May survey, the

two were even, and "good" is

expected to come slightly

By industry, concerns with

'poor" assessments out-

numbered those with "good"

assessments in six fields, in-

cluding steel, shipbuilding, con-

struction, and retail, in May;

but after September this is

expected to be the case in only

three fields, including ship-building.

The rising boom feeling is

nothing but a reflection of

swelling sales and improve-

ment in corporate earnings.

Sales at leading manufactur-

ing concerns are expected to

increase 5.9 per cent in fiscal

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Bank (International) Ltd., European Brazilian Bank Ltd., International Mexican Bank Ltd.

both actual and prospective.

in the non-manufacturing

ipared with a pickup ii

estic demand diminished

June last year and represents money supply was increased at important gold price rises the highest year-on-year advance since last August when cent helped by government an increase of 12.2 per cent spending running at almost 12 price index will reflect the inwas registered.

Per cent above budget. Achievefully 1 general Inflation has been in double ment of inflation reduction sales tax increase to 10 per

1984, compared with a 4 per cent increase in fiscal 1983.

Growth of non-manufacturing

sales is also expected to ac-

celerate to 4.1 per cent in fiscal

1984 from the 1.5 per cent in fiscal 1983. Pre-tax recurring

are expected to continue to post

a strong gain in fiscal 1984 —

11.7 per cent, following 13.8 per

sults are causing a visible

pickup in capital investment.

According to the Ministry of

Finance's corporate statistical

survey, capital investment of

all corporations with capi-

talization of more than ¥10

million turned up in the April-

June period of last year, follow-

ing two consecutive quarters of decrease, and increased 16.8 per

cent in the first three months of

this year over the year-earlier

Capital investment is in-

creasing particularly sharply among smaller enterprises

with capitalization of between

the cain in the January-March

period was 49 6 per cent over a

capital expenditures, which are

gathering momentum, personal

consumption remains in the

doldrums. According to the

Prime Minister's Office's

survey, real consumption ex-

penditures by the nation's

households increased by 0.3 per

cent in fiscal 1983, compared

with the 2.4 per cent gain in

The weakness was notable in

recent months - down 3 per

The upsurge of capital in-

vear earlier.

<u>sluggish</u>

fiscal 1982

These trends in corporate re-

cent in fiscal 1983.

total was for military spending in the territory, and the rest administration economic help. Black nationalist guerrillas

have fought for nearly 18 years to end the white minority South figures since 1973 and there targets continues to be cent from 7 per cent.
were hopes when the year-onyear rate dropped to 10 per resulting from the rand's perSouth Africa will spend over Namibia.

Mr Botha's Government has

the Namibian guerrillas are

paper titled "Current State and

Prospects of Financial Lib-

The major points contained

11 Prospects for the yen's

internationalization centering on liberalization of Euroyen

transactions, like relaxation of

restrictions on Euroyen bonds.

21 Direction for phased lib

eralization of deposit interest

rates, starting with large

ments and moving toward

3) Strengthening and stream-lining of money and capital

that falls on borderlines be

tween the banking and securi-

5) Measures to maintain

strengthening of the deposit in-

surance system.

6) Abolition of restrictions

basically a step being taken in

response to changes in the

social structures. They are, to

name a few, growing interest

rate sensitivity among custom-

ers in the midst of massive issu-

smaller denominations

of a ven BA market.

ties industries.

alization of the Yen."

in the two documents are:

said the costs of running and defending the territory have become too great for South Africa, which is suffering economically from a falling gold price and severe drought. He has said South Africa was willing to implement a UN indepen-dence plan, but only if an estimated 25,000 Cuban troops were withdrawn from neighbouring Marxist-led Angola, where

balance of poyments surplus of 239m peacs (£10m) . Banco Filipino shuts, Page 16 Kashmir sacking

By K. K. Sharma in New Delhi BOTH HOUSES of the Indian Finance, Dr Bernard Chidzero, commission's report.

Parliament had a stormy begin presents the country's budget The emphasis in t ning of their monsoon session yesterday when the entire opposition protested vociferously over the dismissal of Dr Farooq

Kashmir a fortnight ago. The two houses had to be adjourned twice for short intervals when disorder disrupted proceedings. Shouting mem-bers of the Opposition angrily demanded a debate on the Kashmir events and walked out

by the Governor of Kashmir after 13 members of his National Conference Party deserted him and declared their support for his arch-rival and brother-in-law, Mr Ghulam Mohammed Shah, who was then sworn in as chief minister. Mr Shah's majority is to be tested at a one-day sitting of the Kashmir legislature on July 31.

borrowing By Emilia Tagaza in Manila PRESIDENT Ferdinand Marcos yesterday sai dihe Philippines
yesterday sai dihe Philippines
would now rely more on
domestic resources than foreign
borrowing in financing develop-

to rely less

on foreign

ment projects.

Delivering hit State of the Nation address at the opening session of the National Assembly, Mr Marcos recognised the long-stalled SDR 615m. (£473m) standby credit from International Monetary Fund (IMF) as the key to the flow of badly needed foreign ex-

change resources.
The IMF credit has been under negotiation for almost ten months, but Mr Marcos said the "financial package will be over the hurdle soon since we over the hurdle soon since we have reached the final stages of the negotiations." Despite the IMF credit, however, the Marcos Government expects foreign exchange to flow in only in trickles.

At the same time that the

At the same time that the new parliament was holding its opening session, about 5,000 demonstrators held their own "parliament of the street" in downtown Manila. claiming that the National Assembly is an instrument of Mr Marcos's "repressive regime."

To the assembly, Mr Marcos warned that peaceful rallies have been infiltrated by subversives but said that he would

versives but said that he would not re-impose martial law des-pite heightened insurgent acti-vities in urban areas and in the countryside.
"Even if the situation deteri-

orates, we have installed installed adequate checks to

improved trends registered in the economy during the first quarter of the year. He blamed the downturn to the continu-

the downturn to the continuing rise in consumer prices.

Inflation, which currently runs
at at about 50 per cent, was
largely caused by successful
peso devaluations, continued
speculations on the peso-dollar
exchange rate, restraints in imports and showdown in production activities. tion activities.

Mr Marcos said that during

the first quarter, there was a

SUDAN UNREST FEARED

Islamic law unites opposition against constitutional change

BY HUGO GURDUN IN KHARTOUM

OPPOSITION IS growing in the Sudan to attempts by President Jaafar Nimelri to impose Islam and Islamic law over the entire country, and to get constitutional backing for this

There is also unease that in the absence of parliamentary support for the constitutional changes President Numeiri envisages, he will maintain the emergency powers he granted himself by decree at the end of

himself by decree at the end of April.

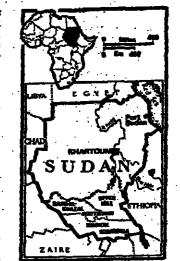
Leading the opposition are Mr Joseph Lagu and Mr Abel Alier. They are both senior members of the Nimeiri Government who as prominent representatives of Equatorian and Nilotic tribes of the country's Christian and April 1997. Christian and Animist south were previously irreconcilable

of the estimated 1981 population of 18.9m some two-thirds are Moslem Arabs. There are some Nubians in the north of the country and Nilotic and Negro tribes in the south. The proposals which finally brought these two together were handed to Sudan's parlia-ment in the form of suggestions.

ment in the form of suggestions for wholesale amendments to 123 of the 225 clauses in the "Permanent Constitution." Essentially President Nimeiri

intends ending the constitu-tional safeguards on southern autonomy, making Islam the sole source of legislation and installed adequate checks to cope with this, without having to resort to martial law."

The president also predicted a reversal in the slightly improved trends registered in Islamic teaching (which would disconsilied.



these "suggestions" as abrogatinese suggestions as autogating the clauses vital to national unity contained in the 1972 Addis Ababa agreement with which Mr Nimeiri ended 17 years of civil war.

The south erupted is violence that when when Mr Nimeiri

last year when Mr Nimeiri attempted to redivide the region and stealthily impose Islamic law.

The significance of the Lagu/ Alier initiative is not that it breaks new ground in criticising Mr Nimeiri's policies, but that two of the country's most important southern leaders have buried factional differences to oppose the advance of Islam and presidential rule. Mr Lagu is

a Sudanese president would be fully versed in Islamic teaching (which would disqualify most black southerners), he would hold office for life rather than the present term of six years and he would take the religious title Imam, which Mr Nimeiri has already adopted.

The Islamic penal code, anathems to Christians, would be imposed. This would include anothems to Christians, would be imposed. This would include Imb amputation, flogging and stoning. People would not have to be informed for the reason for their arrest. The rule of evidence would be relaxed and there could be retrials even for his amendments without parlia-

there could be retrials even for his amendments without parliamentary approval. Trouble looks those acquitted. mentary approval. Trouble 10043
Mr Lagu and Mr Alier see certain should be attempt this.

sparks uproar in Parliament

Abdullah as chief minister of

when this was disallowed.

Dr Abdullah was dismisse The Indian Parliament yester

day began what is widely believed to be its last session before the general elections which must be held before its of inquiry into the tax system

Zimbabwe budget moves BY TONY HAWKINS IN HARARE

on Thursday against a background of continuing recession. The minister is not expected to introduce any major changes and has little room for

Options are limited for

manouevre. In the 1983-84 fiscal year, he forecast a budget deficit of of the Government's continuing 23717m (£432m). Mainly programme to reduced food because of substantial underspendings, the actual deficit for the year which ended on June 30 is believed to be at least

With revenue flat, reflecting falling profits and lower employment, Dr Chidzero has been trying to curb government spending to avoid another large deficit in the current year. A number of technical tax changes are thought likely, but business-men believe that Dr Chidzero is unlikely to announce any, major new efforts to raise addi-

tional revenue.

Earlier this year the Governfive-year term ends next Janu-and it is thought that the mini-spending will increase thing ary.

ZIMBABWE'S Minister of radical changes ahead of the

recurrenit public sector spend-is likely to be on reductions in ing Last week's announcement of food prices increases of between 10 per cent and 20 per cent for maize meal, vegetable oils and bread, are seen as part

currently running at 20 per cent, the minister will have had great difficulty in keeping recurrent public expenditure in check especially as the three major items—domestic debtservice, education and defence
-are not susceptible to heavy short-term pruning.

The consensus view is that while Dr Chidzero may -who last year discribed be forced to announce Zimbabwe as being over-taxed some further revenue-raising measures, he will try to curb the public sector deficit by strict control over government spending. Even so, given the high inflation rate, the expectation is that government spending will increase this year

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Nationwide **Building Society**

Share Accounts FlexAccounts **Bonus-7 Accounts** 8.75% **Super Bonus Accounts** 9.00% 12.86% **Bonus-90 Accounts** 9.25% 13.21%

Subscription Share Accounts **Deposit Accounts**

Mortgage Accounts - Existing Mortgages The rate of interest charged on all existing mortgages will be increased by 2.50% with effect from 1 August 1984 for no notice accounts and on the appropriate

Head Office: New Oxford House, High Holborn, London WC1V6PW

Corporations grow increasingly positive in assessment of business trend in Japan

Growth Rates of Gross National Expenditure and Rates of

Note: Year to year companison for quarterly trends in FY196

earlier and down 1.6 per cent in March, while a 4.1 per cent in-crease was recorded in February due to the influence of the leap year.

The continuously low level of consumption is basically a result of a slow gain in inco The increase in real disposable income of wage earners households in fiscal 1983 was only 0.9 per cent, compared with the 2.6 per cent for fiscal 1982. In terms of each quarter's yearto-year gain, however, the increase has been slowly but steadily accelerating after the 0.4 per cent decrease in the July-September period of last year, recovering to a 1.9 per cent increase in the January-March period of this year. In the meantime, the year-to-year gain in overtime accelerated from 3.3 per cent to 9 per cent, and this is considered to be primarily responsible for an increase in incomes. This trend is expected to continue in the

vestment is also evident from the trend of orders of machinery, a leading indicator of such investment. Seen in a months ahead reflecting three-month moving average domestic business recovery. orders for machinery (private: What's more, a survey by the Japan Federation of Emexclusive of ships and those placed by power unitilities) kept ployers' Associations shows expanding at a monthly rate of that the summer bonuses at 326 2.2 per cent from December leading corporations will be 5 through February. In March, per cent higher than last year, substantially larger than the the growth rate accelerated to comparable increase of 1.85 per cent registered a year earlier.

Personal consumption still Financial liberalization In contrast with corporate

on yen conversion of foreign 71 Opening of financial markets, particularly that of the trust business, to foreign banking institutions. Although pressures from abroad have been an important catalyst, liberalization of the Japanese financial system is

Japan's financial liberaliza-

tion, which had been under study at the Japan-U.S. ad hoc committee on yen-dollar issues. has taken a major step forward in accordance with the report compiled by the committee for submission to the finance ministers of the two countries. Concomitant with this the Japanese Finance Ministry issued a

ance of government bonds. activation of flows of domestic and foreign funds, diversification of fund raising and investing and increasing mechanization of financial institutions' operations.

Talk it over with DKB. The international bank ingilisiens

DAI-ICHI KANGYO BANK

هكذا مندلغطل

The next DKB monthly report will appear August 28.

Announces that the following interest rates will apply from 1st August 1984 7.75% 11.07% 7.75% 11.07% 12.50%

Capital Bonds (21st Issue) 9.25% 13.21% The rate of interest on all existing Capital Bonds will be increased by 1.50% from 1 August 1984. The *guaranteed* extra interest paid on all existing Capital Bonds continues unchanged.

8.75% 12.50% 7.50% 10.71%

Mortgage Accounts -- New Advances

The basic mortgage rate charged on new repayment advances to owner occupiers with effect from 20 July 1984 is 13.00% up to and including £40,000. For loans in excess of £40,000 the basic rate will be 14.00%. Higher rates arising from endowment and pension linked mortgages will continue to apply.

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Some exporters would rather lose their shirt than £1,000.

What is it that motivates an exporter to ship £100,000 worth of goods with no real guarantee of payment?

While it's true that in today's business world risk-taking is inevitable, there is still a choice as to the level of risk. The choice, as

you've probably guessed, comes in the form of export credit insurance.

Without it you stand to lose everything. With it, we can guarantee you up to 90 or 95% of your money if an overseas customer or country fails to meet its obligation to pay.

As businessmen we have no doubt as to which choice we would make.

As export credit insurers, we hope you don't have any either.

£1,000 represents a typical premium for comprehensive short term credit insurance for new policyholders with an export turnover of £100,000p a.

Export with confidence.

EXPORT CREDITS GUARANTEE DEPARTMENT HEAD OFFICE, LONDON EC2 01-352 7777, REGIONAL OFFICES, BELFAST G250-231743, BYRYTHICH AM CC1 238 1771, BRISTOL C272-299971, CAMBRIDGE G223-68801, CITY OF LONDON 01-726 4050, CROYDON 01-680 5030, GLASGOW 041-332 8707, LEEDS 05-32-450531, MANCHESTER 061-834 818

BY PAUL CHEESERIGHT IN BRUSSELS

THE LATEST British offensive ment has listed strengthening to break down barriers to trade the internal market as one of its within the European Com-priorities, and it is expected munity will concentrate first on that two council meetings will the reduction of frontier be held before Christmas.

formalities, second on the Mr Channon said the internal
spread of minimum product market question would be a standards and third on free major preoccupation in British

trade in services.

Mr Paul Channon, Britain's months. But it has been a conMinister for Trade, introduced stant preoccupation ever since this programme in Brussels Britain joined the EEC.
yesterday, while conceding that However, Mr Channon said and painfully achieved success.
At the same time, he threw the support of the Thatcher Government behind the latest initiatives in this area of the European Commission.

Mr Karl-Heim No.

the support of the Thatcher reasons.

Government behind the latest initiatives in this area of the European Commission.

Mr Karl-Heinz Narjes, Commissioner in charge of the internal market, last month internal market, last month Second, Mr Chamon believed the support of the latest in this area. introduced a wide-ranging pro-internal market of the EEC. movement His officials believe which he said would have the that the French lorry blockades which he said would have the that the French lorry blockades same effect in making for a of last winter and the difficulties on the Franco-Italian border start of the customs union.

"common market" as had the start of the customs union.

The Commission is anxious that Ministers of the Ten, instead of adopting piecemeal measures, should take on a comprehensive programme under the general direction of the Internal Market Council of Ministers. The UK Government backs this approach.

A fillip to the chances of movement on the internal market has been given by Ireland, which now holds the Presidency of the EEC. The Irish Government of Dover would have to be reorganised, for example.

BY MARK BAKER IN PEKING

CHINA has reported steady cent).

China's trade shows steady

growth in its trade volume during the first half of this year with exports expanding well ahead of imports.

Trade volume for the half-year reached \$19.87bn (£15bn)

—a 13 per cent increase on the showed greatest growth in new terms are reached to the property of the pr

same period last year, according technology, complete sets of to the Ministry of Foreign equipment, rolled steel, timber,

Economic Relations and Trade. chemicals and pesticides. Pur-Exports totalled \$11.41bn, 14 chases of cereals, cotton, edible

per cent above the 1983 first oils and sugar declined half, and imports were \$8.46bn, markedly.

half, and imports were \$8.46bn, up 11.7 per cent.

A Ministry spokesman said there had been substantial growth in trade with the Soviet Union, Japan, the U.S. and Hong Kong.

Trade with the Soviet Union totalled about \$340m, an increase of almost 300 per cent. However, the nominal target for two-way barter trade for the year was set at about received an order from China

the year was set at about received an order from China

China's half-year trade with telephone exchange, AP-DJ Japan totalled \$4.36bn (up 40.2 reports. The order, worth more per cent), with the U.S. \$2.02bn than BFr 50m (£660,000) is (up 28.5 per cent), and with from the China National Technong Kong \$2.72bn (up 23 per nical Import Corp.

for its System 12 internat

growth in first half

Asea shares in \$200m **Oueensland** rail orders

By Kevin Done, Nordic Correspondent in Stockholm

TWO CONSORTIA led by Asea of Sweden and Hitachi of Japan were yesterday awarded orders worth around \$200m (£153m) for 140 electric locomotives for Queensland Railways, in Australia.

Eleven companies were involved in the original bid-ding. The orders were won against stiff competition par-ticularly from other Japanese and European groups, led by GEC of the UK, Mitsubishi and Toshiba of Japan, and a European group including Siemens, Brown Boveri and

The order awarded to Asea worth Skr 800m (£77m) for 70 electric locomotives is the largest railway equipment contract ever won by the Swedish electrical engineering group.

The Asea consortium ineludes two Australian groups, Clyde Industries and Walkers. Hitachi has won its contract in co-operation with Com-monwealth Engineering.

Asea's share of the deal is worth more than SKr 400m. Delivery of the 70 locomotives begin in 1986 and should be completed by 1989.

The Asea locomotives will The Asea locomotives will be used on the line linking the large Blackwater coal-fields with the port of Gladstone about 500 km north of Brisbane. Some 40m-50m tonnes of coal a year will be transported on the line once the electrification has been completed.

Earlier this year, loco-motives based on Asea's tech-nology were supplied for a similar line in British Columbia, Canada.

The Queensland project is one of many electrification projects currently being undertaken in different parts of the world.

A Chinese delegation led by Li Re Fei, Deputy Minister responsible for railways, visited Asea's headquarters resterday as part of a fact-finding mission in preparation for the electrification of China's railways.

The Queensland order comes as some compensation for Asea which earlier this year lost out in the final bid-ding for the SKr 24bn contract for underground cars for the Singapore mass transit

system.

It is currently bidding in Australia for another major contract in Melbourne for 200 be worth around SKr 1ba.
The Walkers-Asea consortium
has already supplied 84 threecar units for the city of

Airbus plans long-range aircraft

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

pean airliner manufacturing group, is studying an important addition to its family of jets—the TA-11, a four-engiaed long-range signature. AIRBUS INDUSTRIE, the Euro-

long-range aircraft.
The aim is to design an aircraft that can fly very long distances on routes where the

distances on routes where the traffic densities do not justify the use of the bigger Boeing 747 Jumbo jet.

The Jumbo, in its various versions, but especially in its SP (Special Performance; model, is now the world's longest-range airliner, capable of non-stop flights of more than 6,000 nautical miles. 6.000 nautical miles.

But its payload over 400 seats is often too great for many of such long-range routes. As a result, airlines increasingly are looking for a new airliner that can fly such long dis-tances, but still make money with a much smaller payload, of

with a much smaller payload, of around 200 seats.

Even such aircraft as the Lockheed TriStar and the McDonnell Douglas DC-10, while capable of very long ranges, are uneconomic on some routes where the traffic cannot justify the use of such aircraft. aircraft. A niche is emerging in the

market-place, therefore, for a new aircraft tailored especially to this so-called "long, thin" type of operation.

Airbus Industrie's research team has progressively refined markets, its studies, and the group now believes it has produced an market is effective design that can achieve the one basic condition— equality of seat-mile cost with

McDonnell Douglas DC-9s, have increased, reflecting the airlines' need for smaller jets. Michael Donne reports.
The prices of narrow-bodied four-engined aircraft, such as

many Boeing 707s and McDon-nell Douglas DC-8s, have fallen in value, since they are ageing and many are coming close to being grounded, especially in the U.S. and Western Europe, because of new and more stringent noise

regulations.
Widebodied aircraft prices on the second-hand market have tended to stabilise, although some models have shown small rises in prices. These trends, outlined by Jordan Greene and Associates,

the Boeing 747-200B.
Called the TA-11, this concept is now being "positively received by the airlines," says Airbus Industrie, because it will enable them to provide services in long-range markets which cannot economically support a Jumbo jet. The TA-11 will also provide them, in Airbus' view, with an altrenative to what is rapidly becoming a Boeing monopoly of

the U.S. second-hand aircraft specialists, stems from the improving economic situation. This is encouraging the air-lines, especially in the U.S., lines, especially in the U.S., to seek more equipment, but without going to the heavy expense of buying new models.

As a result, twin-engined Boeing 737s and Douglas DC-9s are in strong demand on the second-hand market, A 737 Series 200 can be ob-tained for about \$6m against

\$13m-\$14m new. Mr Jordan A. Greene, who runs Avmarket Services, comments that whereas in the past, "big is better" was the maxim of the airlines, this has given way to "small is

Airlines do not want large equipment that is expensive to maintain, and prefer the smaller, more flexible types.

TA-11 will be much cheaper, although Airbus has not yet put a price tag on the aircraft. Airbus says that the basic TA-11 would have a range of over 5,400 nautical miles, enabling it to fly non-stop between Frankfurt and Tokyo or between Frankfurt and Tokyo ment or between Paris and Rio de craft. Janeiro, but that an extra long-range version would have a that range of 6,500 nautical miles enough

non-stop.
In addition to competing with

Airbus Industrie's studies indicate that most demand for the TA-11 is likely to develop in the late 1980s and early 1990s. Airbus expects that, between now and the end of this century, some 1,150 long-range aircraft of all types will be ordered, worth about \$1280n, of which some 400 could be of the TA-11 type.

the TA-11 type. the TA-11 type.

The engine for such an aircraft could be either the new international V-2500, or the Franco-U.S. (Sneoma-General Electric) CFM-56.

International Aero-Engines

(IAE), the group developing the V-2500 which includes Rolls-Royce and Pratt and Whitney of the U.S., says that it has conducted its own studies into the potential market for a TA-11, and believes it could develop a 27,000 lbs take-off thrust version of the engine to

meet TA-11 needs by 1991. This time-scale suits Airbus Industrie. It recognises that, having only just launched the new short-range 150-seat A-320 with substantial government funding, it must demonstrate at least the prospects of a profit-able return on that venture, be-fore asking for further government money for any new air-

By the late 1980s, Airbus feels that it will have generated enough orders for the A-320 to prove the success of that ven-In addition to competing with the Boeing 747, in terms of market is being reflected in the rising cost of 747 aircraft. The average price for a Jumbo jet is now about \$100m (£74m). The

By comparison, the average in South Korea, Taiwan and Hong Kong is 20 per cent. These countries have a labour productivity only 50 per cent

of the U.S.

In China, hourly labour costs are only 3 per cent of those in the U.S., and labour productivity no more than 10-15 per

S. Korean car exports rise sharply

South Korean exports of four-wheel vehicles rose to 21,099 units in the first half of 1984, up 159 per cent from a year earlier, according to figures released by the Korea Auto Infinstrict Cooperative Associ-ation, AP-DJ reports from Second

The January-June tally, valued at \$75m (£55.5m) included 4,656 vehicles adopted in June, an increase of 726 per cent from the same month of 1983. The associa-

reported The number of cars shipped to Canada during the past six months was not given, but efficials said Canada, a newly emerging market for Korean cars, my have taken a delivery of more than half of South Korea's overall shipments

AEG-Kanis secures DM160m Saudi order

DMIDUM Saudi Order AEG-Eanis, a subsidiary of the West German electricals concern AEG-Telefunken, has won a DM 169m (442.7m) order from Saudi Arabia to build a gas turbine power staton, Jonathan Carr reports from Frankfurt. The plant, with an output of 90,000 kilowatis, will be set up at Layla, 400 km south of Riaydh, and is due to berin operation in is due to begin operation in

1986.
The Saudi order covers 2'l the engineering work, six gas turbines and generators, electrical switching year and construction as well as on-site training.

MBB in helicopter pact with India

Messerschmitt-Boelkow-Blohm (MBB) of West Germany has signed an agreement with Hindustan Aeronautics to design and develop an advanced light helicopter, K.K. Sharma reports from New

The new helicopter will replace the Cheetah and Chetak helicopters built by Chetak helicopters built by Hindustan Aeronautics with French collaboration. A spokesman for the West German Embassy said the agreement mainly involves the transfer of technology. He declined to give details on the value of the contract to MER

Spanish shipowners urged to avoid Gulf Spain has advised ship-owners not to send vessels to the Gulf after Iraq failed to guarantee that it would not attack Spanish shipping, a Foreign Ministry spokesman said yesterday, Reuter re-ports from Madrid.

quests to Iraq for safe pas-sage for Spanish-fiag carriers after an Iraqi air attack on a Liberian tanker last month in which seven Spaniards were killed.

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OWOR;

Ammonia storage plant for Sonatrach

A JAPANESE consortium, led by Toyo Kanetsu, has won a \$44m turnkey contract to build a 20,000-tonne lew-temperature ammonia storage plant in Annaba, Francis Ghiles reports. The Algerian client is the state gas and oil monopoly, Sonatrach. The contract is 85 per cent financed by Japan's Eximbank.

Progress slow on flags of convenience

By Anthony McDermott in Geneva THE CONFERENCE aimed at reaching an international agree-ment to regulate conditions for the registration of ships has at its halfway stage made little substantive progress towards resolving the central issue of flags of convenience.

Korea, Hong than in Sout or Turkey.

This concludes the 1984 survey of flags of convenience.

The conference started on July 16 and is due to last until August 3. It is being held under the aegis of the United Nations Conference on Tariffs and Trade, with some 100 countries

represented. Important from the view of previous attempts to confront this issue was the fact that Liberia, Panama, Cyprus, the Bermudas, Bahamas and the U.S.—those countries which are most used as flags of convenience—were represented.

Progress towards a pact was impeded from the start by a row over how to define a genuine link that should exist between a vessel and its flag state.

conference will only be able to agree to recommend variations on the wording of such a pact agreed on at a conference held in Geneva last November.

TEXTILE WAGES

S. Korea pay above Portugal's

change-rate variations have had a substantial impact on costs since 1980, with West Germany, Italy, Sweden, France and Spain

improving their competitiveness

in relation to their labour costs.

BY ANTHONY MORETON, TEXTILES CORRESPONDENT HOURLY wages are now higher hour and 26c an hour respec- hourly wage rates are only one in the traditionally "low-cost" tively.

textile industries of South At the top end of the scale, than in South Africa, Portugal with a wage of \$9.80 an hour.

This conclusion emerges from the 1021 current of wages in the U.S., another high-cost of turnover in very large manufacturers.

This conclusion emerges from the 1984 survey of wage rates in 44 textile-producing countries conducted by Werner International, the Brussels-based management consultants.

In the U.S., another high-cost country, wages were \$8.60 an hour with West Germany paying \$7.54. The UK was in 16th place with \$5.46.

Werner points out that exchange-rate variations have had

Wages in South Korea are U.S.\$1.89 an hour, and \$1.65 in Hong Kong, compared with \$1.64 in South Africa, \$1.28 in Portugal and \$1.19 in Turkey. But the cheapest place in the world to produce textiles is Uganda, where a man can be

bared for 10c an hour. Uganda cannot claim any great textile industry, but in Indonesia and China—both important producers—wage costs are 22c an industry, but in Indonesia and China—both important producers—wage costs are 22c an industry, but in Indonesia and China—both important producers—wage costs are 22c an industry. Werner also points out that in Indonesia in Industrical Turning to investment decidence in industry. Turning to investment decidence in investment decidence in industry, but in Industrical Turning to investment decidence in industry, but in Industrical Industrical Turning to investment decidence in industry. Turning to investment decidence in industry, but in Industrical Indus

Pact to produce growth protein By John Wicks in Zurich

COMPANIES in three countries are to participate in an agree-ment for the production and marketing of human somatomedin C, a naturally-occurring protein involved in the stimu-lation of tissue growth. The Swiss-American genetics

company Biogen has signed a licence and development contract with Kabivitrum, the second largest pharmaceutical company in Sweden.

Biogen will make high-yielding strains and develop production and purification methods, while Kabivitrum will collaborate with the Japanese

Japanese clothing group building factory in U.S. BY ROBERT COTTRELL IN TOKYO

By comparison, the U.S. cent of that in America.

Canada, Japan and South Korea

Turning to investment deci-

JAPAN'S Wacoal Corporation ment for diesel engine production with the Hyundai engine wear factory in the U.S., and says it is the first Japanese clothing manufacturer to do so.

Hyundai will produce HMT's

Wacoal is Japan's leading lingerie-maker. Its president, Mr Koichi Tsukamoto, said a Wacoal factory under construc-tion at an as-yet undisclosed location will hire an initial 100 workers in the autumn.

company Sumitomo Chemical in manufacturing the resulting pharmaceuticals.

Mitsubishi Heavy Industries This compares with 71 ships and 932,400 gross tons in pharmaceuticals.

Hyundai will produce HMT's UE low-speed diesel engine, developed in 1955. Reuter adds from Tokyo: Foreign orders received by Japanese shipbuilders in April-

June totalled 46 ships and 997,600 gross tons, down from 195 ships and 3.95m tons in the It will begin experimental 195 ships and 3.95m tons in the sales in spring, and full-scale same period of 1983, the Japan operations next summer. Ship Exporters Association said.

Japanese smelter project opens opportunities in Indonesia BY CHRIS SHERWELL RECENTLY IN KUALA TANJUNG, SUMATRA

EARLY this century, when the Dutch dominated Indonesia, a dream was born in the mountains around Lake Toba, the vast 50-mile stretch of water which is the source of the mighty Asahan River. The idea was to harness the river's flow where it cascaded across waterfalls down to the Straits of Malacca, and to electrify Sumaira, the country's second largest island.

Studies are already being done on the addition of two mountains around Lake Toba, the built in the first 20 miles downstream from Lake Toba. Capacity would also be added to the smelter, some 75 miles away, taking it from its present maximum of 225,000 tonnes per year, due to be reached by October, to about 350,000 tonnes. tains around Lake Toola, the vast 50-mile stretch of water which is the source of the mighty Asahan River. The idea was to harness the river's flow where it cascaded across waterfalls down to the Straits of Malacca, and to electrify Sumatra, the country's second largest island.

Although the notion seemed fanciful as well as impossibly expensive, it attracted the Japanese during their World Japanese during their world War II occupation, the French in the 1950s and the Russians during Sukarno's presidency. But it was only in the 1970s that the transformation to reality began, and it was the Japanese who helped make it happen.

The hydropower — more than 500 MW of it — is now put principally to a single use: driving a 225,000 tonne per year aluminium smelter built on reclaimed swampland next to the sea. The whole Y411bn (£1.2bn) project, Japan's largest single venture in Asia, is reckoned to be the most successful Japanese mational project" in the world, with a better rating than ill-fated petrochemical projects in Iran and Singapore or a steel plant in Brazil.

This verdict springs partly from the fact that, once it got going, the project went ahead on schedule and within budget. But it is also because Asahan is a vital component in the transformation of the Japanese aiuminium industry, and because it takes Indonesia another significant step down the road to its eagerly-sought industrial "take-off," projected for the 103%;

tonnes.

tonnes.

The key is the agreement worked out in the 1970s between the Japanese and Indonesian governments. Initially, it was for a Y250bn project, but it had to be expanded to Y411bn in 1977-78. Fortunately this was relatively painless operation. a relatively painless operation, since both sides could afford it—today's tighter circumstances might have killed the project altogether.

The more significant points about the deal, however, concerned the cheap price of the electricity, the smelter's seaside location and the stable political environment.

"You don't often get a com-bination of all three factors in one place," says one of the Sumitomo executives working for Inalum who has seen the project through from its begin-nings.

Originally, the Asahan project was going to be linked with an alumina plant exploiting bauxite reserves on Bintan island near Singapore. But the \$570m plant was one of dozens "rephased" when falling oil prices hit Indonesian revenues, and alumina for the smelter is now imported from Australia

Under the agreement, Indonesia holds a 25 per cent stake in the operating company called Indonesia Asahan Aluminium, or Inalum. The remainder is divided equally between Japan's soft-loan agency, the Overseas Economic Co-operation Fund, and a band of five Japanese smelting companies and seven trading company called industry. This saves on imports, but consumption is as much as double trading industry.

of five Japanese smelting companies and seven trading companies led by Sumitomo Corporation, all linked to form Nippon Asahan Aluminium Company.

These partners put in 22.1 per cent of the total funding, or Y91bn, as equity. The remainder (Y320bn) was in the form of loans from the OECF and other Japanese agencies, the Indonesian Government and a Y160bn package involving Japan's Eximbank and 23 Japanese commercial banks. About 30 per cent of the total financing was needed for the hydroschemes.

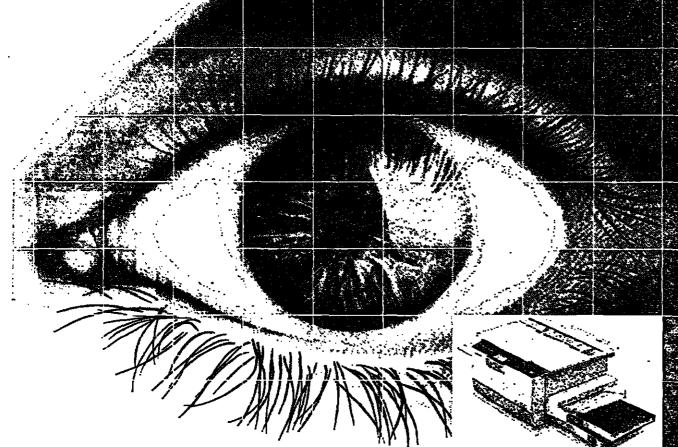
About 30 per cent of the total hydroschemes.

Conceived and built, and bu and the rest from other imports. years ago for the area.



Asahan is thus part of a dramatic transformation in the dramatic transformation in the Japanese aluminium industry under which "offshore" smelters will supply most domestic needs. It is one of five large Japanese smelting operations abroad. The oldest is in New Zealand, another in Venezuela and one, in Queensland, Australia, was built at about the same time as Asahan. The last is being built in Brazil. On top of this Mitsui has an investment in the U.S. and there is an indirect Japanese involvement in the Pechiney smelter project in Quebec. smelter project in Quebec.

For Indonesia, Aaashan brings plenty of clear benefits in the form of reduced aluminium imports, a boost for overall export earnings and an addition to north Sumatran power supplies. But the real advantage is seen to lie in the opportunities it offers.



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Cancer link to nuclear plant not established

reason to think they were not

Sir Douglas said that barring ac

cidents at the Sellafield factory he believed the people of Seascale

were incurring a risk no greater

than other people incurred in their

His report, however, found "un-

certainties concerning the opera-

lighted in the Nuclear Installations

Inspectorate report of the Novem-

interest in the nuclear industry.

Seven of its 10 recommendations

are for more research into the oc-

currence of cancer in the locality, in

Cumbria, and more generally. Con-

cern is expressed that Sellafield's

discharges of alpha-radiation should be "significantly in excess of

those from similar plants in other

The final recommendation is that

Government controls on British Nu-

clear Fuels should be revised more

frequently, should place greater

emphasis on gathering health data,

should involve formal consultation on health matters with the Depart-

ment of Health, and should be more

clearly defined by Government in

terms of responsibility for monitor

Mr Kenneth Clarke, Minister for

Health, said: 'The group tried to

reach a conclusion on the sugges-

tions that an increased level of

radioactivity in the neighbourhood of Sellafield has caused an above-

average experience of leukaemia.

They say it is possible but by no

Mr Clarke said that although the

proposition could not be completely

discounted, "it is difficult to see

what scientific evidence would suf-

The minister said he accepted the

need for some further studies in

West Cumbria and action on these

was in hand. We are considering

how best to implement the group's recommendations about monitoring

of dose measurement at the nation-

al level and we will commission fur-

Investigation of the possible in-

means proven.

lice to do so."

ing and intepretation of results.

chance statistical events.

daily lives.

BY DAVID FISHLOCK, SCIENCE EDITOR

the cases of childhood leukaemia which have occurred in the Cumbrian village of Seascale in north-west England with the activities of the nearby Selafield factory of British

The Sellafield plant, formerly known as Windscale, processes nuclear waste and is the village's principal employer. Last November beaches were contaminated after a discharge of radioactive solvent

general risk to health for children or adults living near Sellafield when compared to the rest of Cum-

"We can give a qualified reassurance to the people who are con-cerned about a possible health hazard in the neighbourhood of Sella-

The Black inquiry was set up by

The Black report said inquiries revealed other places in Britain with a higher incidence of child can-

Fewer than 10 cases were found over a 30-year period in Seascale, a "relatively small number," but because of uncertainties about the size of population from which they were drawn, the true incidence of leukaemia could not be determined precisely. Each case could have been the result of chance or some

In West Cumbria as a whole mortality from childhood cancer was close to the national average.

The Government has accepted all 10 recommendations of the Black report, including its calls for further research, which Sir Douglas estimates will require another one to

At a press conference in London vesterday Sir Douglas stressed repeatedly the importance of comparing the risks of nuclear radiation not with zero risk but with the risks of other ways of generating electric-

with a higher incidence of child-radiation." hood cancer, other than to say that the inquiries had covered England and Wales and that there was no Cumbria, Stationery Office, £6.70. **BANKS FACE MORE COMPETITION**

Plan for building society reform

BY MARGARET HUGHES

BUILDING SOCIETIES - savings institutions which lend money for house purchase in the form of mortages - would be given far-reaching powers to compete in the financial services industry under proposals put forward for discussion by the Government yesterday.

It published a long-awaited Green Paper (discussion document) on the future of the societies which proposes an end to their 100-yearold restriction to mortgage making. The paper says that Societies should be allowed to make unsecured loans, own land and property and invest in subsidiaries to conduct new types of business.

tion of the plant, which were high-The document also calls for public debate on other possible powers for the societies to which the Govber 1983 incident, and also problems attendant on the functioning ernment is not yet fully committed, of a plant, part of which has been such as cheques and credit cards, all-round home-buying services including legal and surveying work, insurance broking and stock mar-The report also finds some evidence of lack of co-ordination between the various agencies with an

It would toughen safeguards to protect societies from the dangers of these riskier activities. It would extend the Thatcher Government's policy of equalising tax and regulatory treatment between societies and banks, now that they compete head-on in many markets.

Announcing the Green Paper yesterday, Mr Ian Stewart, Economic Secretary to the Treasury, de-scribed it as "the most wide-ranging THE SUGGESTED WAY AHEAD

sole purpose of building societies.

 New lending powers for big societies, including second mortgages and personal loans up to £5,000.

property. Public debate on cheque book, credit card and other

New rules on constitution and accountability. ● End of interest rate cartel's exemption from

Restrictive Trade Practices Act.

lation would be "evolutionary rather than revolutionary." The prime aim, he said, was to ensure that societies retained their traditional roles. Nonetheless, the Government believed there was scope for expanding building societies' operations without prejudicing their basic roles as secure havens

housing finance. The Government has set a deadline of October 15 for consultations on the Green Paper. Mr Stewart said that it is boped that legislation would be passed in the 1985/86 parliamentary session so that the changes could be implemented in late 1986 on early 1987.

The Chief Registrar of Friendly Societies, whose staffing and prudential supervision may be strenggranted to the building societies, will also be publishing discussion papers on reserves and liquidity. those which the Bank of England produce for banks and licensed deposit takers.

some reservations on that issue.

ause of a conflict of interest. Editorial Comment, Page 14

for civilian coal lift at strike-bound pits the Building Societies Association welcomed the Green Paper which BY OUR INDUSTRIAL AND POLITICAL STAFF was "very much in line" with his members' views. Many of the pro-

Whitehall prepares

THE GOVERNMENT plans to use figures have been compiled on the those put forward by the BSA itself

> This would be carried out in a rapid road operation. The projected of the factors behind assurances

tional electricity crisis this winter. But this power would be limited to societies with free reserves of at least C3m. Today, that means the 56 largest who represent only 25 per cent of the total number, but accounts for 95 per cent of the industry's £87bn in assets. rupting production.

sals, he said, were in accord with

in its own discussion paper pub-

The Green Paper proposes that in

financial services, the building so-cieties would be free to compete

more openly with the banks. Bigger

societies would be allowed to make

limited amounts of unsecured per-

sonal loans for such items as furni-

ture, fittings and repairs to a maximum £5,000 to any individual.

In the direct housing sector, so-

cieties would be allowed to own

land for residential development for

both sale and rent. The Govern-

ment would allow societies to ex-

tend their house purchasing ser-

legal side of property purchase) and

structural surveys. It has reserva-

tions about their wish to operate as

agents for the sellers of property

lished earlier this year.

Mr Lamont dismissed suggestions that British Steel could survive any interruption to its production. "Everybody must know that foreign companies would snap up the markets at the first opportunivices to include conveyancing (the ty," he said.

civilians instead of troops if large numbers of heavy lorries and drivstocks of coal from strike-bound ers needed for a rapid coal lift. Off-mines have to be transferred to cials are convinced that resources

It is pointed out that haulage use of civilian contractors was one part in supplying power stations during the present strike. About given at the weekend by Mr Peter half of the estimated 500,000 tonnes Walker. Energy Secretary, that of coal reaching the Central Electri-there was only a faint possibility of city Generating Board each week is troops being used to prevent a nain normal times, most of the coal

As the miners' dispute entered its arrives by so-called merry-go-round 20th week Mr Norman Lamont, In- trains which shuttle between pits dustry Minister, told the House of and power stations carring 1,000 Commons yesterday that British tonnes of coal on each journey. Dur-Steel could be forced to close some ing the strike only 20 per cent of the plants if miners succeeded in inter- normal number of coal trains have

Plans for a coal lift have clearly be influenced by the success of the British Steel Corporation in switching from rail to road for its require ments of iron ore and coking coal.

The Government is trying to About 18m tonnes of coal is held the timing and location of any coal at strike-bound pits. The extent of lift operation because it realises Government preparations to move that there would be vigorous picketthese coal stocks is evident from ing of power stations and pits in an Whitehall admissions that national effort to prevent it happening.

DOCTORS have been unable to link

from the plant. A report published yesterday by an advisory group headed by Sir lems attendant Douglas Black, president of the of a plant, part British Medical Association, said: long in service." "We have found no evidence of any

the Government after allegations by a Yorkshire Television documentary, screened last November, of a high incidence of cancer among children who lived in Seascale.

unknown factor.

He refused to disclose the places ther research on health aspects of

Mortgage-making becomes "primary" rather than

Right to own property and land and to develop

financial and related services.

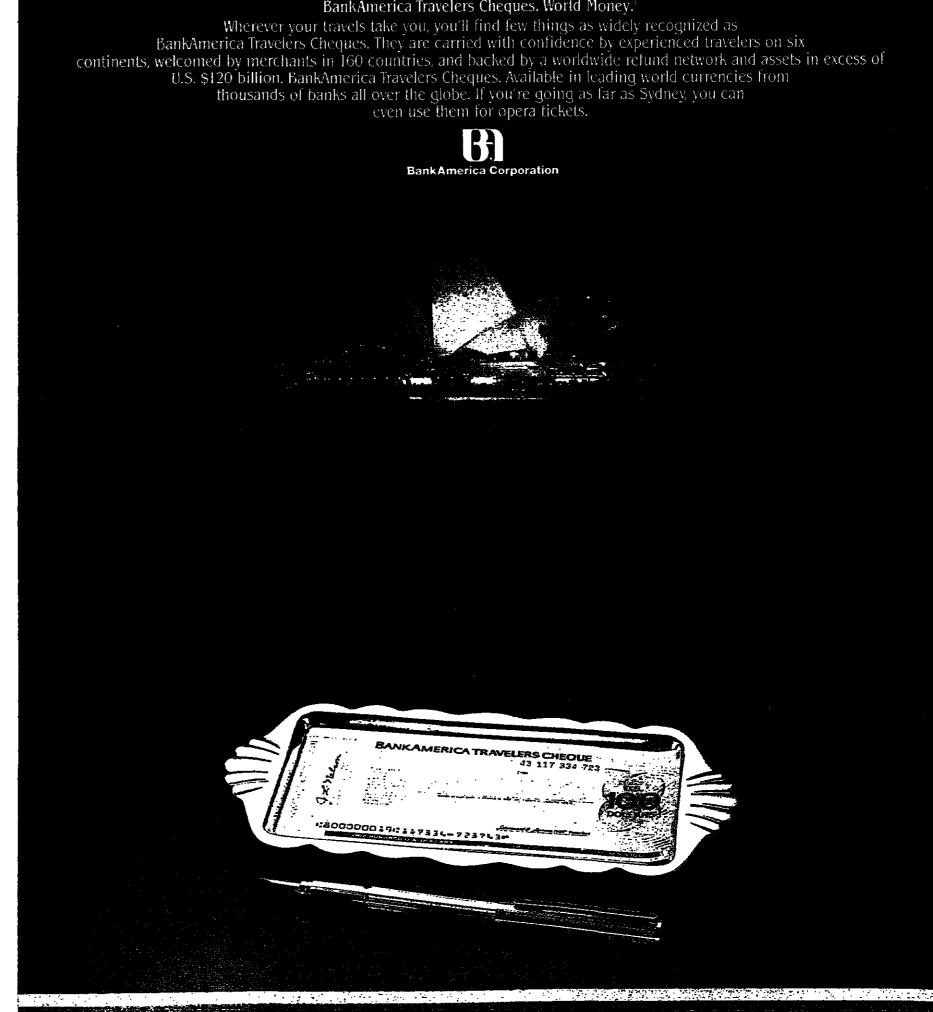
review of the role and constitution of building societies in over a centu-

for savers' funds and in providing

As foreshadowed in a speech by the Chancellor of the Exchequer on July 3, the Green Paper gives the societies virtually all they have been seeking in the financial services field. It also goes most of the way to meeting their demands in housing and house purchasing, although the Government clearly has

Mr Herbert Walden, chairman of





BL plans £1.6m test laboratory expansion BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

test laboratory at Canley, Coventry, go. which came on stream at a cost of A £2m last October. The new facility will be in operation by March next year in time to

opment of Austin Rover's next ma- dent of human drivers or the weathjor car, the executive model codenamed XX. The car is being development jointly with Honda of Ja- facilities have cut considerably the pan and is due to be launched in Sentember or October next year. The laboratory is housed in a former production area which Austin

a fraction of the cost of a new build- rating 14 electro-hydraulic actuaing. "It means that the bulk of the initial C2m investment was spent nology test equipment," says Mr Joe Farnham, Austin Rover's director of product engineering. advanced of its type in E The first phase of the facilities cording to Austin Rover.

AUSTIN ROVER, the BL subsid- have been operational since Octolary, is to spend a further £1.6m on ber last year and were used in the

high-technology equipment at its development of the Austin Monte-

Austin Rover says the equipment enables it to "bring into the laboratory" all types of road conditions so that a vehicle or a component can play an important role in the devel- be tested 24 hours a day, indepen-

> Mr Farnham says, "Our new test time needed to carry out exhaustive tests and have enabled our examination of cars to be more thorough."

Most of the £1.6m will be spent Rover says has been refurbished at on a multi-axis simulator incorpotors capable of reproducing vertical, lateral and longitudinal road or test where it mattered - on high tech- track loads, including braking effects. Its installation will make the Canley laboratory, one of the most advanced of its type in Europe, ac-



WORLD STOCK MARKETS

CHECK EVERY DAY IN THE FT

Yamazaki to build UK plant

By Peter Bruce

YAMAZAKI machinery works, one of Japan's largest privately owned machine tool manufacturers, is to invest C30m in an automated plant to build computer controlled machine tools in Britain. It will be the first direct investment in the UK by a Japanese machine tool producer. The Government said it would make a grant of £5.2m towards the cost of the plant to be built near Worcester after agreement last week with the European Commis-

sion in Brussels. Yamazaki has spent nearly three years looking for a manufacturing base in the EEC and had narrowed its choice to the UK, West Germany and Belgium. The company already has a sales and assembly unit at

Worcester. The Commission blocked the UK Government's aid to the project earlier this year after protests from West German machine tool makers Mr Norman Lamont, Industry Minister, said Brussels was now

satisfied that the investment would corve an overall EEC interest.

UK NEWS

Video disc sales Glaxo to expected to 'remain limited'

BY JASON CRISP

SALES of video disc players as a CIT points out that Laservision is consumer product are likely to remore suited to the professional main limited for many years, according to a new study by CIT Research, the London-based market stant use than the rival VHD sys-

ing analysts.
The value of sales to the profes-The value of sales to the profespany of Japan and sold in the UK sional market - such as for training by Thorn EMI. and education - will exceed those to the consumer market by 1987, it system would still be the logical says. In spite of technological and choice for the consumer market in programming improvements, the report says the value of consumer sales will not be higher until "well

into the 1990s, probably even later." Video disc players have better quality pictures and are cheaper than video cassette recorders (VCRs) but cannot record broadcast television programmes. Video disc sales have been very slow as a consumer product in the U.S., Europe and Japan. Earlier this year RCA, one of the leading proponents, withdrew from the U.S. market after suffering losses in excess of \$500m.

disc. CIT predicts that the Laservilips, the Dutch electricals group, will become the dominant format if another major electronics manufac-

tem developed by the Victor Com-

The report notes that the VHD terms of cost and flexibility. "It re-mains ironical that with its huge programming support in television, its operational stance in cable TV and its command of rental TV outlets, Thorn EMI has resolutely decided to avoid the consumer mar-

Another important market for video discs will be in data storage. Already a number of major manufacturers such as Philips, Matushita, Xerox and IBM are offering expensive and sophisticated information storage systems based on opti-Like VCRs, there are three rival cal disc technology. CIT estimates and incompatible formats for video that by 1990 more than 50 per cent of the dollar value of the U.S. marsion optical disc developed by Phiket for this technology will come from these storage systems.
The report is available from CIT Research, I Harewood Place, Hanover Square, Landon WI. Price £245.

"Why should my cargo

back drug with £50m investment

By Lisa Wood

GLAXO, one of Britain's major pharmaceutical companies, yesterday announced a £50m investment in a new plant to expand production for its latest antibiotic.

The plant, at the group's factory at Ulverston, Cumbria, will be Glaxo's largest single investment in

The new drug. Ceftazidime, is an injectable cephalosporin antibiotic. one of a category of antibiotics which have evolved from penicillin and are being increasingly used particularly in hospitals.

The worldwide market is worth an estimated \$1.8bn. Glaxo has recently made the drug available in the UK. Italy and West Germany and is awaiting product approval in Japan and the U.S.

"We believe Ceftazidime is capable of achieving a significant share of this highly competitive market," Glaxo said yesterday.

The bulk of the antibiotic output from the new plant will be for use overseas and a full international programme of launches is planned.

The plant is due for completion in

fly less punctually than I do?"

Terex moves into gear after rescue by General Motors

THE WORLD market for the monster machines used on big construcnot discouraged Terex Equipment construction equipment company of Motherwell, Scotland, from plan-

ning expansion. Terex Equipment was formed in cued the former Scottish subsidiary of the U.S. Terex group from receiv-

The receiver took over in Novem-German IBH Holdings construction equipment group. Ironically IBH with other companies. had acquired the entire Terex. Terex is looking for group from General Motors at the

business.
Today GM is firmly back in control at Motherwell. Mr Gail Gunderson, who has managed several of the group's international operations, has been appointed chairman and has already started to step up production

The workforce, down from a peak of 1,900 to 350 last February, is up to 560 and is expected to reach 800 soon. The company is breaking even on operations and hopes to become profitable by the end of the

Despite lack of demand GM plans two additional products, an articulated truck which was designed at the Newhouse plant near Glasgow and mothballed during the IBH troubles, and a further machine in a £1m project yet to be announced. It has also started a determined

MARK MEREDITH reports on tion sites may be flat, but this has expansion plans for the Scottish obtained protection from creditors

trawl of other European producers to look for possible product alli-March when General Motors res- ances that would help to compete with the big full line suppliers, Komatsu of Japan and Caterpillar of the U.S.

> Mr Gunderson said: "We're lookproduct line whether internally or its £39m in assets in Scotland.

Terex is looking for three truck models, several medium-sized bullend of 1980 when GM decided to get dozers, two smaller wheel-loaders out of the construction equipment and an excavator to improve its

the better sellers - has taken executives to several European producers. Talks are believed to be well advanced on a possible distribution exchange with companies complementing Terex's range. "We are keeping all the options open, there could be buyouts, or

partnerships - it doesn't necessarily have to be marriage," Mr Gunder-Why should a car company the

size of General Motors, with £32bn of assets, return to an industry it abandoned 35 years ago?

A first it seems GM rescued Terex Scotland to protect its assets and to prevent the worldwide company being broken up. Terex has two other operating companies, in the U.S. and Brazil. When IBH collapsed the that too is depressed.

ing normally and the U.S. company under Chapter 11 of the U.S. bankruptcy code.

There is no danger that the Brazilian or U.S. assets will be sold off or liquidated, but the receiver in Scotland had total control and could have broken up the company at any time. GM, which still owned the Terex plant and equipment after ber after the collapse of the West ing at how we can complete our the sale to IBH, was worried about

> Officials of GM acknowledge that they might not have bought the Scottish company from the receiver if a bankruptcy procedure similar to that in the U.S. existed in Britn. Now they are back, however, they seem more enthusiastic.

"We made an in-depth study of this company. If we didn't think it was viable, we would not have done it," says Mr Gunderson. "It would have been pouring good money af-

"We felt the product was good and reliable and there was volume potential in reasonable time."

The world market for off-road equipment has remained below £19bn a year since 1979. The outlook is still static, but what we must do is restore our market share." Mr Gunderson said.

Terex has a strong position in the UK dumper truck market, claiming more than a quarter of all sales, but

Naval contract open for tender under new competition policy

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

MORE THAN 20 British defence price being fixed at a late stage in companies have been asked to sub- the project. mit designs for a support ship for the Royal Navy which could eventu- Swan Hunter shipyard had proally involve orders of well over duced a study of the vessel, but the

The Government's approach to the defence industries on the new contender could be required by the vessel illustrates key aspects of its ministry to take ideas from its policy to introduce greater competition into defence contracting. It is the first time the Ministry of De-fixed-price design, development fence (MoD) has applied the policy to a major shipbuilding contract. According to Mr John Lee, under ever, the rights to the design would secretary in charge of defence pro-

curement, the MoD is seeking a prime contractor to take total responsibility for the designing and building of a 30,000 tonnes fleet ship capable of replenishing warits to the competition policy, which ships with stores, ammunition and

Mr Lee said that the method of procuring the vessel was "totally new" for a ship of its size and complexity. The concept of the ship was

Initial reaction from the companies had been good, Mr Lee said, although they were "conscious that we're looking for a pretty tough

The vessel will be much larger than normal fleet support ships, it will carry a much wider range of

stores and will be armed with vertically launched Sea Wolf missiles. Normally the MoD would nomibuild the first and probably all sub-

its to the competition policy, which has been given increasing prominence by the Government over the

Yesterday Mr Lee said that the

MoD wanted the industry to come

up with its own ideas. The winning

The winner would be awarded a

ever, the rights to the design would rest with the MoD, which would put

the remaining four vessels out to

competitors, he said.

Although some foreign weapons systems could be included in the final package, only British compa-nies would be asked to tender to being designed with exports in mind, and there was no intention to seek to build it collaboratively with-

in Nato. Mr Lee said that the MoD was proud that 95 per cent of Britain's defence equipment was British

made. MoD officials said that the new ship would be too sophisticated for the sort of countries which might be nate a shipbuilder to design and in the market for such vessels, while other Nato countries already sequent ships, with the contract built their own.

Amex reshapes UK banking activities

BY ANDREW BAXTER

AMERICAN EXPRESS, the U.S. fi- Mr Raymond Maggar, general banking activities as part of its strategy of international growth.

The group's American Express International Banking Corporation (AEIBC) said vesterday it expected to complete the combination of its list of services. fore the end of the year.

trade and product finance, commercial and correspondent banking with those of TDB, whose main strength is its affluent private banking clients.

nancial services company, will soon manager for the new UK operation, complete a reorganisation of its UK said the combination between AEIBC and TBD had already given American Express a major new presence internationally. The London reorganisation would create a "very special" international commercial bank with a comprehensive

main UK activities with those of He said an important target Trade Development Bank (TDB) be would be the "high net worth" private client looking for a more diver-The move follows last year's sified approach to investment. The merger between AEIBC and certain non-U.S. banking subsidiaries of nation as a whole, with capital and Trade Development Bank Holding, reserves of \$1bn, would give it the group founded by Mr Edmond Saf- though no acquisition was planned

at present by the London bank. The London reorganisation will The UK reorganisation will bring be an important element in the intetogether AEIBC activities such as gration of AEIBC and TDB, which was given a significant boost earlier this year when Mr Safra, a respected if reticient international banker. agreed to become chairman and chief executive of AEIBC.

Economy heading for slowdown, say brokers

BY PHILIP STEPHENS

Britain will slow significantly this settled by the autumn year and next while inflation will The broker says the edge higher in response to the recent weakness of sterling and the rest inflation is likely to rise to 6 per cent weakness of sterling and the rest in interest rates, London broker Buckmaster & Moore forecasts the second quarter of 1985, before

In a review of the outlook for the Company finance, however, economy and the market in govern-should continue to improve, with In a review of the outlook for the pared with nearly 3% per cent in 1983.

The rate of growth will fall fur- higher-than-expected public spendther to 1% per cent in 1985 as the ing pushes the 1984-85 public sector consumer spending boom which has so far sustained the recovery

momentum of the recovery, but will be insufficient to maintain the pres-

The forecast assumes that the outlook is broadly favourable to the miners' strike, which will depress gilt-edged market.

THE PACE of economic growth in Output this year relative to 1985, is

The broker says that retail price gradually drifting lower again.

ment stocks (gilts), the broker pre- the financial surplus of industrial dicts that gross domestic product as and commercial companies expectmeasured by expenditure will rise ed to reach £7bn in 1984 despite a by only 2½ per cent this year, com-The Government's finances are unlikely to be as healthy, it says, as

borrowing requirement (PSBR) up to £9bn against a target of £7.25bn ades. Slower growth in bank lending it predicts that investment and however, should make it relatively exports will take over some of the easy for the Government to hit its monetary targets, and although base lending rates are not expected to fall before the end of the year the

'Good year' for banks

BY DAVID LASCELLES

BRITAINS four large commercial banks do not have to make sharply sults for five years, according to the loans. annual bank review published by de Zoete & Bevan, the London stockbrokers.

It says the banks will increase profits by about 19 per cent, but a slower 11 per cent rise is predicted

The main points behind this year's better results should be lower inflation, higher revenue from incrisis is not cataclysmic and that get tax changes.

banks will this year report their rehigher provisions against problem Next year banks could face a

squeeze on their margins because of the introduction of composite rate tax on deposit interest rate payments. The brokers say this will highlight what low interest banks pay, and force them to boost interest to retain deposits.

The review also predicts that creased bank charges as I fewer several banks will have to make bad debts. On the international side rights issues to strengthen their the analysts assume that the debt balance sheets after the recent bud-

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every Tuesday in the Financial Times



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rate of \$6 billion.

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Typical of the Bank's commitment to worldwide merchant banking is its new trading room in New York. Over \$12 billion in money, securities and currency

floating-rate issues.

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\$12 billion in money, securities, and currency transactions daily. Bankers Trust is today one of the five largest primary United States government securities dealers.

Futures. Our new subsidiary, BT Futures Corp., is a major participant in the interest rate, currency, and precious metals futures markets. BT Futures executed over \$150 billion worth of contracts in 1983.

Investment management. We are responsible for investing more than \$37 billion in employee benefit and personal trust assets. Employee benefit clients include over 100 of the world's major corporations and public sector entities.

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(1) (1) WITH RETIREMENT and a large gratuity coming up, a middle-aged policeman started looking for a small business from which to make his living. A newsagent on one of his old beats wanted to dispose of his lock-up shop and it seemed ideal. The policeman went to see his bank manager.

Of course he could have a loan to cover half the purchase price, the manager said. Naturally, the bank would want security—the policeman's house would do-and if he could sign a personal guarantee too, well, that would clinch the deal. The policeman's solicitor looked at the figures for the

newsagency's performance and advised caution. He suggested a chat with Mr A, a chartered accountant friend from Rotary lunches whose three-man prac-tice acted for many small businesses in and around a pleasant seaside town in the North of

Mr A takes up the story "The business had never made more than £11,000 of profit, more than £11,000 of profit, with £8,500 a more common level. The vendor was keeping the freehold and proposed a rent of £5,000 a year to fund his own retirement. This was a new charge on the business which quite obviously would have reduced considerably the already poor profitability.

"From my experience I valued the goodwill of the business at a maximum of £22,000. But the vendor had been advised to ask for twice

that sum and that was what the policeman had been told by his bank that it would be happy to

"He was so crestfallen when I advised him against the bank loan—and the purchase itself if he couldn't get the price down
that I told him I would waive my fee so that he could use the money to ask any other chartered accountant for a second

What concerned the policeman most of all, however, was his bank manager's willingness to lend the money. The policeman argued that if the deal was such a poor one, why would he have agreed so readily? After all, he was a bank manager, one of those friendly, con-cerned people resembling actor Peter Barkworth (who starred in a TV series about a bank manager). If he said yes, the prospects must surely have

remain anonymous—has a some—Advertising campaigns have what jaundiced view. "The fostered an image of bank bank should never have agreed management that is not true to

Why advice from a bank manager 'is not impartial'

BY IAN HAMILTON FAZEY



"A debt-collecting agency in South America? Perfect---how much de you want?

analysed properly and the risks assessed."
What happens now, says Mr A, is that banks will lend large sums for practically any legal venture provided that collateral adequate. Government-backed oan guarantee schemes encourage them to lend even more readily. Competitive pres-sures make them even more

As Mr A and any business consultant will admit, there is nothing wrong with this when viewed from a strict commercial point of view : a bank's business is to lend money in return for a rate of interest. Problems arise, however, because the public, and hence the majority of small businesspeople, do not see the banks, or their role, in

this light. One management consultant whose firm runs small business courses for the Manpower Services Commission told me recently: "We have the devil of a job persuading people that accountants or consultants can give truly independent advice banks are High Street money looked good?

Mr A—who has to deal regularly with all the clearing banks and therefore wishes to different from shopping around for a washing machine."

to the loan in the first place and life, according to such inde-almost certainly would not have been doctors in terms of status.

duty is to the bank and there is no avenue for complaining about him or sueing him for negligence in giving you wrong advice."

Recently, one of Mr A's small

business clients tried to take over a debtor, a family com-pany which was in trouble be-cause of a lack of forecful management following its foun-der's death. The only other major creditor was the bank. where the company in trouble had a £60,000 overdraft.

All that was needed was a few weeks' grace while Mr A's chent. a forceful, successful manager, merged the two small businesses. The bank manager agreed; then, according to Mr A. had second thoughts and panicked. The bank had a debenture on the business worth £120,000 and he sent in

receiver to get it. The family firm had to fold and a dozen jobs were lost. Eventually, Mr A's client hopes to expand but it may take two years to reach the point he could have achieved in as many

Meanwhile, he will have to wait some time to recover his debt from the failed company and probably will not be paid in full, with consequent effects on his own balance sheet and trading accounts.

trading accounts.
The bank manager, of course,
was doing his job for the bank,
not fuctioning entrepreneurially. Mr A tells the story not so much as a criticism but as an illustration of likely true form when the going gets tough and risks have to be taken.

The banks, he says, rarely risk anything simply because they demand ample collateral. Small businesspeople who pledge their houses against loans, or who sign personal guarantees, are the risk-takers. Mr A's advice is never to sign such a guarantee, to keep personal and business risks as separate as possible and persuade people to lend you money on market grounds alone—on the likelihood of your project or business being a winner. If a bank insists, shop around; there will always be someone who will lend the money more cheaply and for less collateral in what remains a buyers' market.

Sarum Farms

In last Tuesday's article on Sarum Farms it was stated that the Winchester-based company had taken over a Devon manu-facturer of laminated wooden beams which was in receiver ship. This was incorrect. The beams company was not in receivership. We regret the return for a fee. I am bound receivership. by a professional code of ethics error.

enforced by the Institute of Chartered Accountants, which means that my duty is always to my clients. A bank manager's CHONG BETA slows up

THE MUCH changed Loan Guarantee Scheme-which came into effect on June 1appears to be getting off to a sigw start. The Department of Trade and Industry received virtually no applications in June (and did not even bother to make its usual announcement) and the signs are that no more than a trickle of companies have heen showing any interest in the scheme in July. National Westminster Bank, for example, says it received only eight proposals from customers in the first 23

weeks of the month.

It is, though, still very early days. Besides the initial delay in getting the participating banks and the DTI to finalise a rewording of their legal agreement, bank managers and businesses are inevitably having to come to terms with having to come to terms with what effectively is a new scheme while the summer months are traditionally less active. Bankers believe, on the other hand, that the changes to the scheme—a reduction in the Government's guarantee from 80 to 70 per cent of the amount borrowed, leaving lenders to shoulder 30 per cent of the risk instead of 20 per cent and an increase in the cost of the premium paid by the borrower from 3 to 5 per cent—are already taking their toll.

Behind the scenes, mean-while, there is likely to be much talking between the DTI, the clearing banks and lobby groups about ways of reducing the "unacceptably high" rate of losses. At the last count claims under the guarantee exceeded pre-mium income by around

National Westminster, which is keen to see the scheme continue after it officially expires in December, claims its own figures suggest that its internal appraisal and monitoring have improved.

The bank analysed all the businesses which drew down money in the six months after June 1981 (when the original pilot scheme was introduced) and found that 20 per cent had gone into liquidation a year after getting the money.
The same exercise was carried out on businesses applying for LGS loans in the first six months of 1983 resulting in a failure rate 12 months later of only 11 per

A philosophical approach

Stoddart that when he stands up to address a roomful of private investors in London tomorrow, some members of his audience will be feeling distinctly unhappy.

As chairman of Electra Risk Capital L Stoddart knows that many shareholders at annual meeting will be mindful of the four young companies in the fund's portfolio which have gone into liquidation over the last 12 months (at a cost of £1.2m) and of the two which £300,000 on their original investment. At £8.7m, the fund—ERIC I—is by far the biggest set up under the Government's original Business Start-up Scheme—but so far at any rate it is also proving to be the most accident-prone.

Being someone who understands the risks and rewards of investing in unquoted companies better than most in the City of London, Stoddart is philosophical. He admits that his group "underestimated the lime and offert" that would be time and effort" that would be required to nurture and encourrequired to nurture and encourage a selection of start-up companies (they had to be less than
five years old to qualify under
the original scheme)—but he
maintains that shareholders will
not be disappointed by the fund's performance. At the very least, he says, they will get their investment back — a result which, given the tax relief pro-vided by the Government, would represent a net gain of varied proportions at the end of the

Launching a fund under the Business Start-up Scheme (and subsequently two more under the more generous Business Expansion Scheme) has only been one chapter of an eventful and entrepreneurial career for Stoddart at Electra Investment Trust (EIT, the owner of the Electra Risk Capital management company).

Based on his experiences and those of his managing director, Michael Walton, with the selectra Risk Capital Walton, with the selectra Risk Capital want in folder the walt with the selectra Risk Capital management company). Launching a fund under the agement company).

Through the £200m EIT, which he joined as deputy chairman and chief executive in 1974 — Stoddart has pioneered some highly imaginative if sometimes controversial deals. built up the trust's unquoted portfolio from next to nothing to more than 50 per cent now, provided a major stimulus to

Films, oil exploration and recovery stocks are among the other high-risk ventures he and his team have been prepared to Although EIT has been con-

strained until recently by its policy of paying generous dividends from entering the "early stage, high-tech" field it has nevertheless taken direct posi-tions in companies such as Ibis and Millicom and developed links with T.A. Associates. manager of the Advent venture capital funds. Well connected in the City of London and in the U.S., Stoddart is, therefore. in a good position to comment on the tremendous explosion in interest in UK venture capital, both by private investors, insti-tutional investors and through the BFS

Based on his experiences and He does not think that the BES "is achieving what the Government hoped it would achieve" in terms of new com-panies and new employment and agrees with Walton that the tax relief may ultimately be restricted to investments in new companies again if the Government decides that the BES is just a licence to avoid

the management buy out run another start-up fund. I fashion by helping fund the successful Candover Investments with Roger Brooke, and aligned his group with a major ERIC I and that has reinforced venture capitalist in the U.S. our view that the degree of

involvement with companies has got to be considerable."

Stoddart points out that Electra's unquoted management team now numbers 10 and that three of these spend their whole time helping existing companies

in the EIT and ERIC portfolios.

Commenting on his experience of venture capitalists in the United States, Stoddart says that companies never get enough money at the beginning —you've always got to expect that they will come back, that results always take longer than expected to achieve (he cites a friend's investment in ACT which stood still for seven years before taking off speciacularly), and that entrepreneurs the other side of the Atlantic are other side of the Atlantic are considerably more hard-nosed than their UK counterparts. "Venture capital managers in the U.S. have little inhibitions about firing entrepreneurs. The inhibition is greater here where businessmen are much more sensitive about losing equity control and getting outside help."

Stoddart is as conscious as anybody of the risks of start-ups and in an effort to reduce these is pioneering a new sort of investment to exploit sources of innovation and R and D. For the moment Electra has set aside around £1m to seek out products or ideas which may be sitting around in major com-panies or other establishments and could be turned into joint ventures.

"The evaluation of the joint venture and the choice of part-ners will be a crucial part of Electra's role as a catalyst. It is envisaged that large firms will often second the appropriate management to provide the necessary finance, administration and marketing skills that start-up companies so often lack."

So far two deals have been completed and a third is near completion. EIT and Thorn EMI have made an initial commitment to invest £100,000 each in System Simulation, designers of

software.
ERIC, meanwhile, is in the process of raising money for its third fund (the second under

tax. In common with all other "If it was we would certainly BES funds at the moment, ERIC In common with all other has found marketing tough and expects to pull in around £2m compared with its original target of £10m.

Tim Dickson

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Opportunities Business

Mr A takes a different view:

"The small businessperson must not automatically believe

that all bank managers are trusted friends and advisers.

They might well be able to help, but I have come across many

"The banks are very big now

and have many branches. Really good people are promoted to head office or big branches, so that small High Street branches

have a range of people from rising managers getting experience to people who knew that if they hung around long enough they would get a managership sooner or later.

"The majority of bank managers encountered by small

businesses are unequipped to advise on running those businesses."

interest in Mr A's view because he sees impartiality as the crux of the issue, which means that he believes that chartered

while bank managers cannot.

"They are there to act as

bankers, making money on their advances, not to act as business

advisers. They have a financial

interest in every transaction and, by definition, cannot be

impartial.
"But I give my services in

There is an element of self-

who are pretty thick.

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THE ARTS

London Galleries/William Packer

Potters who have become great artists

Some weeks ago I wrote in architecture" according to passing of the Hans Coper George Wingfield Digby in 1967 Retrospective that has but lately finished at the Serpentine, recommending a visit and expressing the plous hope that I would return to the subject, to give it proper consideration. Well, all is not lost; and though that show has most certainly moved on an extremely choice moved on, an extremely choice that. All Art can be seen as group of Hans Coper's pots is Folk Art at a distance, especiatill on view in London (at ally so when the particular Fischer Fine Art in King Street, artists are obscure or forgotten. St. James's, until August 3), if Hans Coper took from Miss with the boons that it shares Fischer Fine Art in King Street, St. James's, until August 3), with the bonus that it shares the gallery, as it did so often in his lifetime with the work of his great mentor, subse-quently friend and close associate, Lucie Rie.

Between them, these two expatriates, the one a southern German, the other a Viennese, both of them refugees from Hitler's Greater Reich, made their careers and at last their reputations in this difficult country, have been the dominant figures in British ceramic art since the War, or perhaps we should say since Bernard Leach, for their in-fluence has been especially in the last two decades

Miss Rie, now in her early eighties, remains without ques-tion the most distinguished of our working potters, with few peers in the world; and to see her pots as they are now set out in the diffuse and gentle daylight of the gallery, most of them astonishingly the work of only the last year or so, is one of the most delightful visual of the most delightful visual treats that London currently has to offer. To see them in conjunction with the more emphatically physical and sculptural Coper pots that occupy the lower gallery is to realise not simply the qualities peculiar to each but to see peculiar to each, but to see something of the nature of their

mutual creative dependence and Both of them were drawn to the same imaginative references and stimuli, to the technical directness, formal simplicity and adventurous glazing of the Japanese and Korean traditions, finements of the ancient world. the delicate shapes of archaic phials and flasks and the broader intimations of votive figurines, charms and talismen. The urbanity of Miss Rie's work has been remarked—work that had "no nostalgic undertones of of dance of elemental figures, folk art; the style. . . that of elegantly crude, as they might someone conscious of modern by ritual or magical inscriptions

-and indeed we can hardly forget that hers was the Vienna of the Secession and its aftermath; but to say so is simply to acknowledge a most important moderating influence upon an artist whose imaginative roots go much wider and deeper than

Rie her consummate delicacy and finesse, that lightness of touch and nicety of judgement in work that seems almost to contradict gravity and the physical substance of clay, buoyed up as it were by its own airiness, so she took from him his more direct and vigorous sense of design, simple, positive and strong. Neither of them ever stopped making pots qua pots, but with his spade and Coper especially moved his work openly towards the condition of sculpture, with all the ambition and expectation that go with it. Miss Rie, though staying always so much more closely within the convention of the Pot, perhaps by her very acceptance of that convention, seems able so to transcend it that mere questions of function and practicality become quite irrelevant, drained of all meaning. To speak of Rie and Coper as potters is accurate enough, but misleading, giving too narrow a view of two remark-

able artists. Another current double show is at Riverside Studios Hammersmith (until August 12) where Nancy Spero occupies the walls of the foyer and Evelyn Williams the main gallery. Miss Spero is an American artist who takes as her subject the central feminist preoccupation with sive works even so, and register what it really is to be a woman, an authentic and powerful feminist preoccupation with what it really is to be a woman, an authentic and powerful presence. More impressive, creature entirely distinct from man, and her conditioning and suffering at his hands. Well, it is all very interesting, but it is never the worthiness of the content that makes a work of art, or it would be the road to Parnassus that was paved with good intentions. She treats of her ideas in archetypal terms. her ideas in archetypal terms, using texts to propose the masculine side of her argument and informing them by a kind of dance of elemental figures,

upon the wall of the cave. These images are rather an oddly fleeting and atavistic way, and certainly very sophisti-cated. But they might be shown to better advantage than as here, with wide strip upon strip of paper to cover the wall— though needs must, of course. They would be better read severally, handled, gradually unrolled, their images and arguments discovered as in a scroll.

Evelyn Williams also deals in archetypes, but hers are born of the cosmic angst not of her sex alone but of humanity at large. The imagery in these latest drawings and reliefs is powerfully stated, chiaroscuro, fraught chiaroscuro, fraught with the symbolism and description of death judgment and perdition. It is deeply religious in its very general way and rather morbid in its view of the human condi-tion, but carried through nonepots, but with his spade and theless with remarkable vigour, thistle forms, his flattened confidence and wit Her cylinders and odd conjunctions, antecedents in recent art are more general than specific — Barlach, Kollwitz perhaps, and middle European expressionism; but really her work takes us much further back to that older Expressionist strain in the Northern imagination, the Gothic art of the later middle

tomb or cathedral front than

the gleeful or more intimate macabre of misericord, gar-goyle and reliquary that has moved her; but her work remains quite her own for all that, and no mere exercise in study. The drawings are for the moment the truest work, com-plete and satisfying in themselves and entirely resolved. The painted reliefs are less certain, still rather awkward as though the means have yet to accord absolutely with the in-

mendations, unexegetical I am afraid for want of space. The show at Nicola Jacobs of Picasso's Ceramics (until Angust 11) affords a rare chance to see a representative group of works that marks a



"Tripot" by Hans Coper, c 1958

enough to have won any lesser artist a major reputation.

Nearby at the Piccadilly (until July 27), Rosie Lee's new paintings constitute the best show she has had to date,

The Monoprint Show at Angela Flowers in Tottenham Mews (until August 11) offers

minor diversion in that aston- Prints, that is to say works ishing career, but a serious that only exist in the single engagement none the less. The and unrepeatable impression work that came out of it was The point is still stretched, The point is still stretched, even here—the unique print with negative or plate des-troyed, perhaps; and there are two exquisite polaroids stilllifes by Adrian Flowers. But best are the truest monoprints of all, the paint or ink direct on the plate—three mask-like faces by Amanda Faulkner, Oliver Bevan's Smithfield, and

And I should like to tell you about my "One Pair Of Eyes" that I have chosen for Michael Parkin in Motcomb Street

Mozart at Drottningholm

Drottningholm Palace is only own things in a charming numeraries — treated as if a half hour's drive from Stock setting all great fun, with give they were all in on the joke a half hour's drive from Stock—setting all great fun, with give they was both the northern ful scene-stealing growing more—probably was. Ostman consummer lasts the way to go outrageous as the evening ducted briskly (except where a singer had evidently insisted that quay the steamboat chaps calmiv westward leaving committed by Alicia Nafé as knowledge and develon, and westward, leaving behind first the stately buildings of the capital and then the tower blocks that line the suburban banks, until there are only summer cottages punctuating the spruce forests. All this corner of Sweden is a vast archipelago; the boat tacks back and forth across the waterways, collecting passengers from one tiny jetty after another. At last the Rococo palace slides into view: rolling lawns, gracious gardens, statuary down to the water's edge.

water's edge.

The Drottningholm Court
Theatre is more than two centuries old, restored 60 years ago after long neglect. The antique stage machinery all works again, and dozens of 18th-century sets are ready to be dropped and slotted into place. The orchestra has to be small. Altogether this is the ideal home for period opera with "authentic instruments," which is the passion of Arnold ostman. This summer has already brought Rossini's Ceneratola, as well as a Holberg comedy with music and our West End School for Scandal (on a British Council tour), with a Cimarosa/Benda double-bill and the Arbore di Diana of Martin y Soler yet to come; but the Östman pièce de résistance was Mozart's Cosi fan tutte.

Seven of the 10 Cost performances offered a young Swedish cast in Willy Decker's production: but three of the later ones colleagues assured me)

Decker's intentions care about to record the opera with Ostmar for Decca. I saw only the more famous crew upon whom (colleagues assured me)

Decker's intentions had scarcely rubbed off in their short was unimprovable: a ripely rehearsal-time. There was sessoned creation, easy, gentle different business, and a and-furny.

Tobias Hoheisel's costumes tory tone. In short, we had six weren't overdone, but the coy polished singers doing their excitement of the chorus super-

committed by Alicia Nafé as Dorabella, who explored the absent lovers' Albanian drag intently throughout Despina's "Una donna de quindici anni." Georgine Resick made Despina a conventionally bright, sturdy know-all; Miss Nafé, an infinitely more unpredictable and volatile creature, sang with tremendous style and subtlety.
Beside her Rachel Yakar's
Fiordiligi was almost matronly.
Though impeccably musical in
her soft-edged way, her heroic

David Murray hears opera in 18th century Stockholm

"Come scoglio" seemed to emerge from another character; her "Per pietà," running the hazards of the "authentic" horns (who had found the Serenade a sere trial), sounded lovely but missed the ascent to lovely but missed the ascent to Flordiligi's desperate resolve.

Gösta Winbergh made a heftily effective Ferrando in splendid voice, he gave "Un aura amorosa" the full Romantic treatment. The Guglielmo was Tom Krause, who might more naturally have served at Dua Alforne with his

Book Review/Michael Coveney

habit of accelerating final sec-tions of arias: not customary, but who's to say it's wrong? The ensembles were lively, though never tidy, and the Act 1 finale accumulated plenty of

of Cost fan tutte, the effect of the old-style winds was con-stantly intriguing. The quack-ing oboes and the bassoons, both reedy and watery, lent the whole sound a special tint. The wooden fintes were very mild: sometimes their bland timbre brought a musical joke nicely to life, often one missed the pointed brightness that belongs to modern flutes. Mozart claimed, in a famous letter to his father, to detest the flute; he might well have liked modern ones better.

The good little body of strings represented a variety of opinions about period vibrato, or the lack of it, but in any case represented no special challenge to present-day ways
—en masse, old and new strings
are not so very different. With
just two cellos and one bass, the most complex harmonies the most complex harmonies occasionally seemed pallid; the haunted shadows that fall in the trio "Soave il vento," for example, were scarcely felt. What Mozart actually had needn't have been what he

wanted. served as Don Alfonso with his Ornamentation of course dark, mature authority—but the followed the current established pungent insights into the music canons, to the general enhancerevealed in his vocal line brooked no argument. His must "Come scoglio" ("Like a canons, to the general enhancement of musical grace. But must "Come scoglio" ("Like a rock") have the strong repeated brooked no argument. His wounded cry of "Un contratto matrimoniale!" had the epic notes of its opening phrase despair of Wagner's Amfortas, polgnant and ludicrous. And in fact Carlos Feller's Alfonso was unimprovable: a ripety but highly apt, and I missed them. If they were what Mozart wanted, it seems that he could have told his soprano so, but have told his soprano so, but couldn't have had any way of warning our modern experts.

beautifully worked and quietly ambiguous still-lifes, sombre and somewhat melancholy arrangements of boxes, pots, jars and beetles, natural and personal trophies, private and unexplained. Arthur Miller's travel in China three free, for him, self portraits by Tom Phillips. nercial network in the bright laying of Confucian thought sew land of opportunity. with Marxist ideology to a Miller ruminates upon the creative use of sudden dis-Salesman in Beijing unexplained

by Arthur Miller, Methuen, £9.95. 254 pages

One in four human beings is Chinese." With this stunningly ordinary but precise observation does Arthur Miller open his account of a visit last year to the People's Theatre of Beljing to direct his own play Death of a Salesman. The book—although it still gives me no idea of where Beijing actually is—is a is startled to learn that a trader fascinating diary, written in or salesman in China occupies breaks between rehearsals, cycle trips around the city with his photographer wife and social engagements with American diplomats and beijing literati.

Miller makes no bones about being feted, nor about recording

which dissipates their classical violets. Not, at is rair to additive the company fulfilled itself more impressively when it held an introductory class in dance skating through the history of ballet in five minutes but as potential affirmation of his soggy belief that we are really all the same under the sun and

> Pages of stuff recorded by in the light of the post-Cultural Revolution thaw, He is alive to

new land of opportunity.

Miller ruminates upon the play, its past productions, the performances, of Lee J. Cobb and Paul Muni, The best pas-

covery. The production, of course,

turns out to be the most tremendous success, despite Miller's fears that the public might be deterred from attending because of a diplomatic incident over a tennis player. Miller is overtly critical of President Reagan on this matter.

Tennessee Williams's supre macy as America's leading midto-late twentieth century dramatist is still to be chal-lenged by Sam Shepard and, who knows, by Miller himself.



Arthur Miller

Enter Toronto, starting at the top festival. And, two, by the into bridge. The National Ballet So there was an abundance of evitable attention paid to the of Canada performed Onegin, event by media with limited its first new major work in Harlem were an undoubted hit.

Toronto must be one of the most successful metropolises of recent years, a city which has grown in numbers and complexity without yet showing any of the strains of urban living. To put a seal on its maturity and to celebrate its 150th annimerrational arts festival in june.

There will almost certainly be event by media with limited knowledge of the arts who judge the occasion by audiences on average of below and to celebrate its 150th annimerrational arts festival in june.

It was a mammoth undertaktive vears to more than substitute than the city should surprise no one international arts festival in june.

It was a mammoth undertaktive vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants three vears to more than substitute than the classical and more plants the company it is a speciality of the arts who two years, six times to additute the performed to soul-less recorded the city with his two years, six times to addiences on average of below the city with hards and the city with his two years, six times to soul-less recorded the city with his two years, six times to addiences on average of below and two years, six times to addiences on average of below the core. The performed to soul-less recorded the city with hards and the city wit Toronto must be one of the merchandising

than twice the budget of the Edinburgh Festival. This being Canada and an open, question-ing society, the cost of the venture has been criticised in the

penses, with C\$1.6m going on marketing and a similar sum on administration. On the revenue side, subsidy, from all layers of Government, contributed C\$3.9m; the box office was expected to bring in C\$3m and private sponsorship C\$1.6m. The from the overseas competition if they are included in the pected to bring in C\$3m and seen throughout the year, suffer can be understood, the gap private sponsorship C\$1.6m. The from the overseas competition between audience size and gap would ideally be filled by if they are included in the artistic achievement is harder

mainly fulfilled.

ture has been criticised in the local press and the organisers, led by Muriel Sherrin. a former artistic director of the Stratford (Ontario) Festival, have been equally frank about their expenses.

Of the C\$9.2m the bulk.

C\$6.2m, went to artists expenses, with C\$1.6m going on marketing and a similar sum on tation of six different operas by the Met earlier in the month: limited audience can only

afford so much. But if a surfeit of the arts

with the fact that whatever the ing late in the festival and a Canadian nurtured in the German company as Onegin. With \$100,000 from Imperial Oil to guarantee sets which for once deserved applause this

festival is that too much is on offer. Murriel Sherrin was determined to get the best from year, had to fight against a retitional throughout the world, which cent audience when it perdemanded some much criticised formed Belioz "Romeo and travelling. At one time drama Julier" in the Roy Thomson was on the schedule but this clashed with an unrealised auditorium which seems to need theatre festival in Toronto. Revelution thaw, He is alive to the irony of performing, in a Socialist country the ultimate dramatic tragedy of the American Dream of self-improvement. Willy Loman is a postwar American phenomenon, the salesman as a vital force in the construction of a trade and com-

stressing the hard work and athleticism which produce a Like many dynamic cities once deserved applause this was a most cheering introduction to the arts in Canada.

But the problem with every festival is that too much is on Like many dynamic clies that dynamic clies the problem with every brace a wide audience. Its exfectival is that too much is on the light of the post-Cultural Revolution thaw. He is alive to

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Opera and Ballet

WEST GERMANY

Smitgart, Württembergische Staatsoper: Der widerspenstigen
Zähmung to music by Scarlatti,
choreographed by John Cranko
(Thurs, Fri).
Munich, Bayerische Staatsoper: Munich's annual opera festival, from
July 4 to 31. The fourth week of performances opens with Wagner's earformances opens with Wagner's ear-

July 4 to 31. The fourth week of per-formances opens with Wagner's ear-ly Rienzi with Cheril Studer und René Kollo. Der Rosenkavaller has Judith Beckmann, Brigitte Fassbänder (famous for her rendi-tion of Octavian), and Barbara Bon-ney as Sophie. Arabella has Strauss specialists Marjana Lipovsek, Lucia Popp and Alfred Kuhn. Francesco Cilea's Adriana Lecouvreur is worth Cilea's Adriana Leconvreur is worth a visit with Margaret Price and Neil Shicoff. Le Nozze di Figaro is of respectable standard with Dolores Ziegler, Lucia Popp, and Hermann

Rome: Terme di Caracalla (Teatro dell'Opera Company) Tosca conduct-ed by Silvio Varviso with Sylvio Sass (Tosca) Giuseppe Giacomini (Cavaradossi) and Juan Pons (Scarpia) (essential to have seats near the pial (essential to have seats near the stage – the space is huge and acous-tics not good); Also Raymonda with choreography by Maia Plissetskaia (461755); Cortile del Collegio Romaby Fritz Maraffi (34528450).

no: Marriage of Figaro with the me Festival Orchestra conducted Verona: Arena di Verona: Tosca: A successful production conducted by Darlol Oren, with Shirkey Verrett,



and Silvano Carroli as Scarpia. Aida, conducted by Peter Maag. Lombardi, conducted by Maurizio Arena with Katia Ricciarelli and Veriano Luchetti. Also features Ruggiero Raimondi. (28 151).

LONDON

Coliseum: Dance Theatre of Harlem each night, with two performances on Saturday. (8363161). Royal Opera House, Covent Garden: The Royal Ballet has a new work by Michael Corder, with designs by Patrick Caulfield, as part of a triple

July 20-26

bill Manon, Romeo and The Sleeping Beauty are also in repertory. (240 1066).

Dominion Theatre (Tottenham Court Road): Festival Ballet season opens with Onegin, with Marcia Haydee and Richard Cragun showing how it should be done on opening night.

PARIS

Paris Opéra: Tannhäuser, Werther and a Stravinsky evening are in the repertory this week (7425750). Opéra Comique-Salle Favart Manon and a Stockhausen evening alter-nate this week. (2060611).

New York City Opera (New York State Theater): The company's 40th sea-son completes its week of perfor-mances of Candide, and continues with La Traviata, redirected by Frank Corsaro, conducted by Klaus Weise with Marianna Christos sing ing Violetta and Robert Grayson singing Alfredo. Lincoln Center (870 5570).

WASHINGTON

A Quiet Place/Trouble in Tahiti (Op-era House): This full-length opera by Leonard Bernstein with libretto by Stephen Wadsworth takes Bernstein's 1952 Trouble in Tahiti, with its jazz-flavoured score, and adds 20 years' reflections on the darkening shadows over American suburbia. Ends July 28. Kennedy Center

Roland Petit/Milan

Freda Pitt

let du XXe. Siècle (appropriately, Dionysos), the Palazzo dello Sport in Milan housed a further Scala programme at the end of June, this time a ballet for its own company. Having no home choreographer the management called in Roland Petit, whose company, the Ballet National de Marseille, was presenting two programmes at the Rome Opera at the same time as the new work, The Marriage of Heaven and Hell, was being performed in Milan. His dancers are frequent visitors to Italy, to which Petit will return in September, with a new ballet for the Teatro La Fenice in Ve-

Petit has frequently used narra-tive literary works as the basis for his ballets. His latest ballet has no story, however, and is only very loosely based on William Blake's anti-Swedenborg squib, The Marriage of Heaven and Hell In this section of his prophetic writ- lotted to the men - Bortoluzzi and ings, Blake comes down truculently Aviotte, Bruno Vescovo as a tyranin favour of Hell (The road of nical ballet-master and Luigi Boni- three Petit ballets on show that excess leads to the palace of wis- no (like Aviotte, from Petit's compa-

After the second episode from the lion's share, red smoke proceed- by another man with ballet slip-

Neither of the two named princi-

pal characters would seem an obvi-ous candidate for the "heavenly" side of the union, and indeed they both make their exit by descent, Pier Paolo Pasolini being caught up in a sort of fabric and James Dean disappearing through a trapdoor. Rather than representations of real persons, they are symbols of the "damned" of two different genera-tions and cultures, Pasolini being considered in terms of his films and private life more than as a poet. Paolo Bortoluzzi does not resemble him in the least, but he gave an intelligent and sensitive performance. Jean-Pierre Aviotte, on the other hand, possesses a superficial likeness to the American star; this is skilfully exploited. He gave an impressively explosive account of his one big solo which provided one of the choreographic highlights.

Nearly all the fireworks were aldom" and "Evil is the active springny) as Folly. At the end of his long
ing from Energy," for example).

solo, with its leaps and turns and
Petit follows his lead by giving Hell
off-balance challenges, he was met
thy of the rest, has now gone,

Stockhausen's Licht and a new ing from the nether regions being pers, whose gestures and smile work by Maurice Béjart for his Bal-much in evidence in the ballet. and dance represents the key to happiness. Blake might have been

> Some of the episodes tail off rather weakly; there is a tendency - recurrent in Petit - to treat the corps as automata; the loud and violent, but savourless, accompaniment by Gerard Hourbette and Thierry Zaboitzeff, played on stage by the French rock group Art Zeyd, gave the choreographer little support, and Luigi Benedett's costumes were too obviously run up on the cheap (there was no scenery).
>
> Nevertheless, the work hearteningly showed that Petit is still experimenting, and not just repeating well-tried formulas. Despite this, the best choreography of all came in the lyrical neoclassical pas de deux for two creatures of light, Anna Razzi and Marco Pierin. Razzi has never danced so well, so fluently above all: Petit is a harsh taskmaster, but he obtains results.

By far the most satisfying of the week was the revised version of the whereas Petit has added the tw missing movements of La Mer.
This enhances the musicality of the work and rounds it off more neatly Dominique Khalfouni, Denys Ganic and Jean-Charles Gil led the excel lent cast. Gil's remarkable Frollo remarkable in technique and in dramatic intensity - supplied the sav-ing grace in Notre-Dame de Paris in Rome. Unfortunately, he was on the injured list when the company was at the Teatro Petruzzelli in Bari earlier in the month. No one can quite replace him.

That Petit, like all choreograthers worthy of the name, succeeds in revealing gifts that the dancers themselves hardly suspect, was Razzi in Milan but also at the Spoleto Festival in July, when Luciana Savignano, the Scala's Bejart specialist, appeared with two of the Marseille dancers, Bonino and Thierry Le Floch, in a Pink Floyd Divertissement. It was no surprise in the new ballet in Milan to find Savignano impersonating a Death figure called the Woman in Black, but at Spoleto she smiled and looked relaxed almost through out the gruelling acrobatics. A smiling Savignano is a revelation; may this new vein be developed.

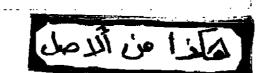
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Tuesday July 24 1984

The Mondale challenge

MR WALTER MONDALE, in accepting the Democratic is not encouraging.

Party's presidential nomination in San Francisco last week. engagingly admitted that in 1980 Mr Ronald Reagan had "beaten the pants" off the Democrats. It would be good success since President Reagan. "beaten the pants" off the Democrats. It would be good for America and for the West if such a one-sided contest were

Everyone directly indirectly concerned stands to gain if Americans grappis seriously with the great issues confronting them, and confronting them, and especially with those which govern their relationship to the rest of the world. The chief of these are quickly rehearsed: defence and arms control: trade policy: the dollar exchange rate and the intimately related

matter of fiscal policy.

Perhaps even more important, there is the question of how America sees itself and its relationship with its allies.
After the muddle and humiliations of the Carter presidency, America turned to Mr Reagan because he promised clarity of purpose and the restoration of

American strength.
As President, Mr Reagan has achieved much of what he pro-mised. There is a new sense of purpose in America, made palpurpose in America, made par-pable by the strong economic recovery. Where the President has failed is in mending America's relations with the outside world after the indeci-sion of the Carter years.

Budget deficit

upon it in his acceptance speech. Budget deficits, he said, "hike interest rates, clobber exports,

True enough in the long run ability to create new jobs replacing those lost in mature and declining industries. Moreover, behind the rhetoric of Mr Mon-dale's speech there is more than a hint—never explicit—of his recent flirtation with protec-

common ground between Nor is the plea for adjusting Democrats and Republicans— the balance to be understood as and it can cover a multitude of a wish for a weaker America. sins, All will depend on what The West needs a strong the winner in November and America, but one which applies the new Congress make of it. its strength wisely.

MR WALTER MONDALE, in Recent experience in this field

in recent months, has made several efforts to soften his image as a man who would have no truck with the sinister powers in the Kremlin.

Even if the President should have been prompted by purely tactical motives, the change of emphasis is welcome and an example of the fruitful results that could flow from the Mondale challenge.

Mr Mondale's campaign for the nomination required him to put together once more the Rooseveltian alliance of blacks, southern whites, urban liberals and industrial workers. It worked within the party, but in the context of national politics that old alliance may have out-lived itself. The generally poor performance of the Democratic candidates in recent presi-dential elections points to that.

If Mr Mondale's sudden spurt

Correct balance

in public favour is to be more than the flash in the pan of an isolated opinion poll, he will have to think not only of the alliance that he marshalled in the convention, but of the mood sion of the Carter years.

Of America. There is no reason to suppose that the yearning for purposeful leadership and for the traditional virtues that which through deficits and the swept Mr Reagan to the White resulting high interest rates House four years ago has run threatened both the solvency of out of steam. But an evident developing states and the econ-reaction against the warlike omic recovery of European rhetoric of Reaganism could industrialised nations is a case give Mr Mondale his chance.
in point. Mr Mondale seized

At San Francisco Mr Mondale did appear to be groping for a correct balance between the

and those of the outside world, whether industrialised, develop-ing, or even Communist. If the campaign were to show that the American public woul?

tionism.

The papers of the Democratic convention contain the usual demand for fair treatment of American exports by other countries, On principle, the call is fully justified. It is also common ground between welcome such an adjustment of the balance, it would be all to the good. As Mr Reagan's adoption of a softer tone towards Moscow shows, such a shift would not necessarily require a change of presidents. Nor is the plea for adjusting between Nor is the plea for adjusting

The possibility that some or



Polish officials 30 days to free the country's 660 political prisoners and some 35,000 minor criminal offenders. When the officials finish the checkingout process, they will have out process, they will have freed Solidarity officials elected in 1981, underground Solidarity leaders caught since 1981, and the four leaders of the KOR workers' self-defence commit-tee. No group gets higher billing as "counter-revolutionaries" in the Soviet bloc's official demonology than KOR, which preceded Solidarity. wondering anyone

whether this means that peace and tranquillity have descended upon the Soviet bloc's second largest and most volatile member could do worse than member could do worse than take in a different perspective from the windows of Warsaw's most expensive Western built hotel, the Victoria. A gunmetal-coloured fence across the road has cordoned one of the capital's most historic squares for the past two years. The pretext was necessary repaving; the reality was that Victory Square had become a Solidarity Square had become a Solidarity rallying point in the aftermath rallying point in the aftermath of martial law. The desol-te square remains an apt methaphor for the void between Poland's rulers and its ruled. Can General Jaruzelski's sweeping amnesty bridge the void, and lengthen the interval until the next of Poland's crises, which have occurred on a five to eight year cycle? One a five to eight year cycle? One experienced party member

thinks not.
"All that is needed," he remarks, "is for those people, who are old enough to remember the Solidarity era but did not take part in it to grow into adult life—then they'll want to have a go themselves."

But for the moment, General Jaruzelski has taken his calcu-dated risk in sending the political prisoners home, weighing the obvious benefit to his image domestically and in the West against the equally obvious reservations on the part of Communist party hardliners inside and outside Poland. The latter argued strongly with the dominant pragmatists in the House four years ago has run out of steam. But an evident reaction against the warlike rhetoric of Reaganism could give Mr Mondale his chance.

At San Francisco Mr Mondale did appear to be groping for a correct balance between the mood that put Mr Reagan into power and a more understanding approach to needs that Mr Reagan often has neglected:

dominant pragmatists in the Jaruzelski leadership against freeing the KOR men, and for a time when the KOR leaders were briefly put on trial earlier this month, seemed to have carried the day. Nor will they be mollified by the dropping of economic mismanagement charges against former ministers of Mr Edward Gierek, since the 1970-80 Gierek rea in Poland is much disera in Poland is much dis-

Leaders in some of Poland's orthodox allies like Czechoslovakia and East Germany, may fret at what the General has that the American public would done. But in Moscow, where it welcome such an adjustment of matters, President Konstantin ter, to the amnesty ceremony said as much. In any case, while the Soviet Union is ever ready to block fundamental structural changes in Poland's political system, the freeing of 600 people who can always be locked up again is not the greatest of



General Jaruzelski (left) and Lech Walesa flank a Solidarity demonstration in Warsaw

Poland's political amnesty

Gen Jaruzelski takes a calculated gamble

By Christopher Bobinski in Warsaw and David Buchan in London

leased might soon be back push General Jaruzelski into necessary, but that the basic harmonious than many suppose, behind bars is, of course, the this further step? Probably isolation of the authorities and the Catholic Church. It also explains the initial cautious electorate to boycott last This tension between persuade more people to join. Western response to dropping month's local government lectors that they need collective bargaining successes to response to dropping month's local government lectors that the convergence of the converg sanctions. Next time, the fearful or cynical believe, arrests would be on minor charges, not entailing political protracted trials but carrying short, sharp

The Church in Poland, and the Polish Pope in Rome, have invested much in securing the amnesty, hoping that the sooner amnesty, hoping that the sooner relations with the West are normalised the greater the chance of reversing Poland's slide into more dependence on the Eastern bloc. But there has to be a next step, the Church argues in line with Mr Lech Welesa, the top Solidarity leader. This should be establishment of some limited form of independent trade union

Does the still-extant Solidarity

many of those now being re- movement have the power to tough measures turn-outs in big cities like Warsaw, Krakow, Wrocław and Katowice. But this is passive support and likely to become more quiescent after the amnesty. Thus, the authorities reckon they can continue to cold-shoulder Mr Walesa's call

for trade union pluralism.

But the Government does not have all the cards stacked in its had. There is a "muddle-through" quality to Gen Jaruzelski's policies, which derives from his need to placate several disparate constituencies. On the one hand, there is the party and government bureaucracy who not so long of independent trade union ago saw their power snatched representation. The reason is simple. Without some legal resisting anything that could channel for the ambitious of Solidarity's unrepentant exprisoners, the jails may simply fill up again.

On the other the politicians closest to the General who

of increasing, albeit very gingerly, the room for manoeuvre of the new trade unions, created in 1982 to replace Solidarity and now claiming 4.5m members or

But on such issues as wage rates, relations between rates, relations between ministries and enterprises on the one hand and the new

General Jaruzelski's calcula-tions. As he said in his amnesty gingerly, the room for manoeuvre of the new trade unions, created in 1982 to replace Solidarity and now claiming 4.5m members or one-third of the workforce.

The authorities have no fear, that the new unions will get out of hand politically, even though some of the rank-and-file are inevitably ex-members of Solidarity which once numbered more than 10m members. There is some pleasure in But on such issues as wage

Warsaw that Herr Hans-Dietrich Genscher, the West German Foreign Minister, and Mr Andreas Papandreou, the

government?
Last Saturday, army bands and detachments marched alongside Victory Square in a

SHAPE OF WESTERN SANCTIONS

AFTER martial law, Nate countries agreed in January 1982 that they would freeze negotiations to reschedule Poland's official debt repay-ments on Poland's official debt (just over half its total \$26bn indebtedness), end the issue of new government trade or commodity credit to Poland, and eschew any high level or ministerial visits to Warsaw. Over and above these measures, the U.S. took its

own unilateral steps: barring Polish trawlers from fishing in American waters, suspending flights to the U.S. by Lot, the Polish airline, effectively blocking Poland's application of November 1981 to join the International Monetary Fund, and later in response to the antumn 1982 law formally abolishing the Solldarity trade union, denying Polish exports to the U.S. most favoured national tariff treatment.

partially eased in response to events in Poland. After the release in autumn 1983 of Mi Lech Walesa, the Solidarity elader, from solitary deten-tion, the U.S. relaxed the ban on Polish fishing in U.S. waters and permitted Let to make chartered, but not scheduled, flights to the U.S. More important, the Reagan administration agreed early

These sauctions have been

this year to go along with

simple-while it is busy pro-

West European pressure to "de-couple" the debt reother Nato-agreed sanctions. This rescheduling freeze was by then seen to have boomeranged on the Western governments, allowing the Poles not even to pay interest on their official debt and to use money which might have gone to Western governments to pay Western commercial Greek Prime Minister, have let it be known they want to visit Poland soon to open a dialogue, as soon as Nato can agree to revise its sanctions,

But more than overt poli-tical approval, which can always be misconstrued by Moscow, what General Jaruzelski wants from the West is economic help. Poland has estimated that economic sanctions have cost it some \$12.136n, a figure based largely on the impact on its economy of the cut-off in Western government trade and food credits, but clearly much inflated by a failure to recognise that most of this credit would have dried up for "economic," not "political" reasons, anyway. Western treasuries could not have justi-fied new credits to a country that, since 1981, has been unable to pay back its old debts. Thus, while Poland is still asking for new Western government credits, and will be asking for these again after this weekend's amnesty, these are unlikely to be forthcoming.

But the issue of Poland's application to join the International Monetary Fund, effectively blocked since martial law by the Reagan administration, is rather different. A majority is rather different. A majority of West European governments now feel that Poland has a perfect right to join the IMF (or rejoin since it was a founding member which withdrew in the early 1950s), that it is in the general Western interest to have Poland in a Western-oriented institution, and that all Western creditors would gain from any

creditors would gain from any IMF supervision of the bankrupt Polish economy.

There is thus a possibility that the West Europeans might try to push the U.S. into letting Poland into the IMF, particularly after the amnesty.

However the Polish Government's tactics on official debt rescheduling—the one issue on which it is back in negotiation with all Western governments

with all Western governments including the U.S.—are proving distinctly counter-productive. Poland has so far refused to repay the U.S. any of its share (\$36m) of the 1981 maturities which were not covered by the official debt rescheduling accord agreed before martial law. Nor has it paid the U.S. a cent on its accumulated interest dues (\$118m) since then Mean-while, all other Western government creditors have at least received some money from Poland. Polish officials stand on the fact that the U.S. stand on the lact that the U.S. never got round to signing a bilateral rescheduling accord with Poland before martial law. True though that may be, and deeply stung though the Polish government may have been by the Reagan administration's espections and relative tion's sanctions and rhetoric against it, it is tactless to say the least, to discriminate on the debt issue against the one Western government holding up that IMF entry form.

There is, of course, a more basic question on which the Western government's response to General Jaruzelski's latest move will turn: is the amnesty for real, is there a new spirit of conciliation from the Polish

rousing ceremony to mark the country's 40th anniversary as a communist state. Anyone watching the ceremony on tele-vision focussed on the tomb of the unknown soldier, could have been forgiven for failing to notice Victory Square's infamous fence—it was draped with army camouflage netting.

UK building societies

THE Government's "green ing, and comes oddly from the paper" on the future of the building societies offers them almost everything they were fiscal privileges of ownerasking for in their most recent, occupiers, slightly trimmed-down shopping list issued last February; the only wonder is that the Government of the following market ment has taken so long to reach almost exactly the same conclusions, and now allows so com-paratively short a time for any dissent to be heard. Perhaps, though, little is expected. Where the consumers and the widely respected building societies permits. Failing this, the speak with one voice, the competition will probably choose to ment which these proposals hold its peace.
The Government's proposals

fall broadly into two parts: to offer all the societies some scope for innovation within their tra-ditional housing market, and to offer new housing services; and the upward pressure on prices, to allow the larger societies— since borrowers will be able to to allow the larger societies—since borrowers will the 56 which control 95 per cent finance larger sums. of the movement's assets—to offer what approaches a full **Competition** retail banking service.

It would be

Level terms

shows a most proper concern new fields before they are mission service, with an over-allowed to run. Thus only a draft facility which neither the tenth of their "commercial societies nor their customers housing development and letting schemes, and the full range of proposed banking activities. Ninety per cent must still be devoted to traditional mortgages. Limits are also placed on their holdings of liquid and

money-market assets.

The green paper offers prudential reasons for these limitations; and it is trae that their exposure to any potential banking crisis would be limited under the rules. However, many phrases also suggest that the vent any funds being diverted out of the housing market, is still plenty of room for a This is bad, inflationary reason- much better service.

has to compete for savings on level terms with other investment demands, and we would welcome a firm declaration from the Government that this is also its long-term aim, to be shoud assist wil Itend to in-crease the proportion of savings channelled through the housing market. The availability of indexed and equity mortgages, as proposed, will only increase

It would be futile to expend too much shot on this particular distortion, of course, as long as If the proposed banking innovations are quite bold, the
housing section is cautious. This
is as it should be, but the reasons given are not necessarily
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the right of the much bigger of mortgages remains politically inviolate; but it is also be underected by the mortgages remains politically inviolate; but it is also be unde cramped in developing the new for the security of depositors, activities which will become and argues therefore that the open to them. This amounts to societies should learn to walk in a virtually full money transassets" can be deployed in any are likely to find unduly of the new forms of investment restrictive. It will offer power—indexed and equity mortgages, ful competition to the clearing banks, which is entirely wel-come, and should ensure better service all round for retail customers.

The Government is a little

more cautious in its approach to the societies' wish to provide stop shopping in the hous ing market. It rightly sees a possibly conflict of interest if the societies could become house agents (the Bank of England seems to have been less sensitive when Lloyds Bank entered this business) and rightly argues that insurance underwriting is too risky. There

Over-drive at Henley's

David Wickins has strong views about how to sell cars, and as the man who built up British Car Auctions, he has a right to them. Nor has he ever been shy about expressing them. Hosting a lunch with his friend, Michael Ashcroft yesterday, he was characteristically strident about the performance of Henly's, for which the pair, through an investment com-

pany, are bidding.

Five hours a week, he said, would be enough for him to turn the garage group around.

(The present management believes it is doing so already.) Wickins looks forward to the day when cars are sold in hypermarkets where buyers can view a full range. "I want Tesco's to sell cars," he says. Such marts would have slimmed-down service bays because, he says, the cars of the future won't need servicing until after the

first 30,000 miles.
Some car owners may find such faith in manufacturers touching. If the Ashcroft/ Wickins combine succeeds in buying Hendly's, a leading BL dealer, the faith of Henly's salesmen will be damaged un-less he leaves his current car at home. It's a Toyota Supra. Wickins, as always, has an explanation: he is also chairman playing a key role in the development of its new model.

Home economics

Two economists - a body of people not known for their work in the more down-to-earth world of mechanical engineer-British efforts to develop a new breew of robots for the home. The living rooms of the avant garde will seem bare, so the advocates of these devices believe, without a robot that trundles around serving drinks or fetching slippers.

Slightly more seriously, the machines could clean the floor or act as domestic sentries, warning of intruders (see today's Technology Page).

Men and Matters



tour father is upset that he wasn't considered important enough to be on the list of possible MI5 moles"

Reekie Research and Universal Machine Intelligence, both of which plan to introduce tributors doing their best to home robots over the next few satisfy demand from viewers months, are each run by men who are bored stiff by the months, are each run by men who are bored stiff by the who started their careers as anodyne offerings of the state-

John Reekie, aged 51, the boss of Reekie Research in series which delighted British Twickenham, took a degree in viewers earlier this year, is at economics and then worked for present one of the most popular Touche Remnant, the City in video rental properties in vestment trust. He left to Johannesburg and Cape Town. become a lecturer in accoun-tancy at Kingston Polytechnic, are perfectly prepared to dis-finally taking up a career as an arribute the pirated "Jewel," inventor in the early 1970s.

Meccano. "I was the kind of small boy who spends all his time mending clocks." programme is submitted to the board for approval and tapes all carry the board's certificate. Geoffrey Henny, of Universal,

studied economics at the University of California and worked fo ra while at the U.S. State Department, arranging trips around America for African diplomats. He then ran aid programmes in Bangladesh and was a technical consultant in Saudi Arabia before settling in the Government. south London to set up his robots company.

Both men found thetir eco-nomics background useful when it came to finding cash to sup-port their projects. Reekie managed to interest the Pruden-tial in backing Colne Robotics (another home-robot venture in which he has a stake) while Henny has obtained £200,000 from Newmarket, a venture-capital company in the City.

Screened If Granada wants to plug a major copyright loophole it

might find help from an unlikely source—South Africa's board of censors. Granada regularly prohibits the sale of its programmes in South Africa -which is a boon to video disrun television service.

"Jewel in the Crown," the they are certainly not prepared Reekie admits to no more to incur the wrath of the moral formal training in engineering watchdogs on the censorship than a youthful interest in board. Each and every pirated

The board's problem is

morals it has no time to consider the lack of morality involved in the theft of copyright material.

Touch mark

Another big hand for Sir George Jefferson. British Eelecom has won this year's Golden Glove award from the Worshipful Company of Glovers of London. No jokes, please, about BT being all fingers and thmubs: no flattery of Jefferson's deli-cate handling of relations with

The Master Glovers do not award the gold leather replica of their gauntlet (mounted on in gold) for such reasons. It is given, quite simply, to the organisation or individual "whose actions, influence or policies have benefited the UK glove manufacturing industry."

British Telecom's director of materials, Keith Argent, gets the award at a City lunch today because BT uses, on average. some 450,000 pairs of industrial gloves a year.
"A wide range," says Argent,

"including disposable plastic, heavy duty industrial and good quality leather driving gloves." So far, British glove manufacturers have been able to mect BT's requirements on price, quality and service, he adds. And so long as that continues, he looks forward to working hand in glove with them.

Buttoned up

I am not surprised that Newsweek's latest poll found more support among U.S. voters for the Mondale-Ferraro ticket then for Reagan and Bush.

It was clear at last week's Democratic convention that the party was carefully extending its appeal to every minority in-terest. Hence the buttons worm by somedelegates: "Don't nuke a gay whale, for Christ's sake."

Observer

How to keep tabs on the index

There are no less than 745 companies in the FT Actuaries Index. Every one of them a leader in its field. Every one a force to be reckoned with. The very companies, in fact, you most need to know

Fortunately, their activities have not escaped our atten-

tion. Hence the Extel Handbook of Market Leaders. If business is your business, you need this book. It tells you everything you want to know, from the chairman's name to details of dividends, from a four year profit and loss record to employment of capital, from the registered office

to monthly share price graph.

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BRITAIN'S LARGE CONSTRUCTION SITES

Suddenly, peace breaks out

By Mark Meredith, Scottish Correspondent

THE British engineering construction industry, a traditionally turbulent sector responsible for building power stations, refineries and steelworks, seems to be enjoying a period of most

to be enjoying a period of most unusual tranquility.

Two projects in Scotland bear witness to the radically altered industrial relations picture. A major gas processing plant being built by Shell UK Exploration at Mossmoran in Effe will be completed on time Fife will be completed on time and to budget, as will the adjoining Esso Chemical ethy-

The two projects, together worth £700m, form the UK's largest construction site with 7,000 workers.

The new mood of calm has grown out of the 1981 national agreement for the engineering construction industry. The accord was prompted by worsening performance throughout the 1970s, when unions became involved in differential rates disputes, bonus pay rows and a spiral of claims and counter claims, "Everyday, everything was negotiable," says one oil

company man.
Things were so bad that, a National Economic Development Office report, foreign investors began looking elsewhere rather than build plants in Britain. The number of large-scale projects dwindled. So did the UK work-force from 36,000 in 1976 to about 14,000 at present, with almost the same number unemployed.

At the root of the problems were the multiple works agreements between contractors and trade unions on each site. Workers at the Isle of Grain power station in Kent became well known in the 1970s for being three-and-a-half years late and nearly three times over budget on their contract. Industrial disputes accounted

for about two years lost work. In 1976 a Nedo report on the engineering construction performance compared Britain with other European countries and the U.S. and noted: "Longer project times, longer construction times, more man-hours expended on site-these are the symptoms of the UK engineering construction industry's problem." Studies showed only one or two hours were productive in a typical eight-hour day.

The problem did not lie close to budget and on time. of the basic rate for a ski solely with the unions. Manage They include several power worker (£3.30 an hour) when ments' record was far from stations, the Lindsey oil before the agreement, inspiring: late deliveries of refinery at Killingholm and figure could be as high as f supplies, continual reworking Roche products vitamin C plant to five times the basic level.



Esso Chemicals' Mossmorran site

The

Thirteen other large-scale

the South of Scotland Elec-

tricity Board's nuclear power station at Torness, the British

gas terminal at Easington, a

Shell refinery development at Stanlow and the development

of a hot strip mill at Port

signed in September 1981 after some 10 years of negotiation,

The agreement set up a

national joint council, with 50/50 employer and union representation. It is the supreme body for industrial relations, ruling on the application of the

national agreement, deciding on wages and conditions, and act-ing as final forum for disputes.

It also oversees any supple-

mentary agrements, such as

bonuses or overtime provisions

for particular sites. The importance of this is that it was

the bonus payments system

which in the past led to most

The cost of the national

accord has been a lower level

now without a high level of bonus payments. Most are earn-

ing about what they did four

Bonus, or "second-tier" pay-

ments are now about one third

of the basic rate for a skilled

worker (£3.30 an hour) whereas before the agreement, this

figure could be as high as four

years ago.

of income for the workforce-

has helped to clear the air

national agreement

design drawings and aconiescence under-the-table payments to get the job done.

So Mossmorran should be seen as a considerable achievement for construction industry relations. Part of a vast £1.5bn project of pipelines plant and terminals, it forms the end of a system to process the gases produced in a cluster of oil fields north-east of Shetland.

Shell UK Exploration and Production, which is building the gas separator plant for Shell UK and Esso Petroleum, is due to complete the £400m plant and terminal on the Firth of Forth later this year. The project involves 19 contractors and six trade unions. A total of 1.28 per cent of the 9.2m man hours expended have been lost through disputes.

At the £300m Esso Chemical project next door, which is 70 er cent complete, less than per cent of man hours has been lost through disputes.

The industry had reckoned on losses of about 5 per cent on projects before the conclusion of the national agreement—oot to mention extensive cost over-runs. More than 10 other projects completed under the agreement have shown similar results-averaging about 1 per cent in man hours lost and most of them being finished

The agreement has also taken control away from the shop-floor. Full-time national and regional union officials oversee heir part of the agreement and can easily over-rule the local initiatives and powers of shop stewards who were often seen as the source of past difficul-ties and claims. "These guys just ran rampant at times on cial. "They often wanted to make a name for themselves with claims which ruined things for everybody else."
Union officials say the occord

has also brought improvements in management. "Poor procurement policy, late deliveries of raw materials and logistical hold-ups moving stuff around the site can no longer be blamed on the unions," one local official

Campbell Fox, the industrial relations office for Ralph Parsons, the managing contractor on the gas separation plant, sees a key virtue in the simplicity of the agreement and its lack of dependence on outside institu-

tions for settling disputes.
To Les Farmer, of the
Lummus Corporation, the managing contractor at the Esso ethylene plant, the main advantage is the time not spent sort-ing out industrial disputes. "We have that much more time to concentrate on planning and less time spent on hassles." The enforcement of

national agreement does not apply solely to the unions, but also contractors, who can be dismissed for, say, trying to buy their way out of a delay through under the table

payments.
"Things had got out of control on projects like power stations," according to Tom Garfitt of the oil and chemical plant constructors association. "The agreement gives much more predictability to projects." There is now much less of a feeling of 'them and us' on the sites," according to John Porter of the National Engin-

Paul Hauff, industrial relations adviser for Shell UK Exploration and Production, feels that the change of attitude cannot fail to impress the foreign companies which once considered the UK a no-go area. "The track record for Mossmorran will help encourage any downstream investment which may come along," Le

eering Construction Employers

ALTHOUGH IT does not expire until the end of this year, time has already run out for the 1977 international sugar agreement, whose goal of stabilising world sugar prices was aban-doned in Geneva earlier this

Delegates left Geneva talking of the possibility of a further meeting later this year, but no-one in the sugar business is hopeful. In the sugar market war, war long since took over from jaw, jaw, with the result that spot prices in the New York market are at their lowest level since 1971—just above 4.5 cents a pound. The London price, at £89.50 a tonne on Friday was the lowest since October 1982, having been protected from a steeper slide by the weakness of sterling, which helped push it back to £91 yesterday. Since the 1977 agreement was

intended to keep world prices in a range of 13 to 23 cents a pound, the scale of the failure to restrain supply to a glutted market can hardly be over World stocks at the end of

1983-84 are estimated at 35m tonnes, leaving a huge surplus overhanging the market, even though the 1983-84 harvest at 95.6m tonnes was reduced by drought. This year, crop prospects look more promising, suggesting that stocks could rise even more and prices could weaken still further.

The most glaring weakness of the 1977 agreement is the fact that it did not include the EEC, which in recent years has emerged as by far the biggest exporter of sugartonnes a year—to the free world market. That itself represents rather less than a quarter of total annual world sugar production of about 100m tonnes a year.

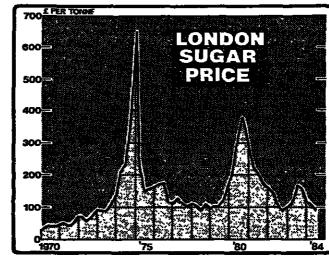
Most of the world's sugar that is not consumed in producing countries is sold in special trade deals, such as the agreement between Cuba, the leading world exporter, and Comecon countries, u under which Cuba receives oil and

tractors in return for its sugar. EEC resistance to joining the 1977 sugar agreement, led by France, was based upon a desire to use the world sugar market as a means of avoiding Market sugar mountains. did, however, appear that the EEC was genuinely prepared to negotiate in Geneva.

Faced with increasingly strong protests from other sugar producers, such as Brazil, Australia and Cube—the EEC proposed to replace the overgenerous quotas of the 1977 agreement with a system of socalled "reference export avail-abilities" (REAs), based on trigger prices. In other words, major exporters would agree to stockpile surplus supplies if market prices fell too low. Other leading exporting counWorld Sugar Market

Why the sweet talking had to stop

By John Edwards, Commodities Editor



principle, recognising that any agreement without the EEC when the UN conference on development trade (Unctad) called the first negotiating conference last year, were big difference among the exporters about the allocation of REAs.

Geneva was the third attempt to resolve them, but Australia and Cuba held out for a tough line, stung apparently by what they saw as a "take it or leave approach by the EEC. Brussels, for its part, says it offered to compromise by reducing its own REA from 5.4m tonnes to 4.9m-but refused to budge on its insistence that it keep the same REA for the entire life of the proposed five-

year agreement.
Traditional cane sugar producers such as Cuba, Brazil and Australia feel that the EEC should cut back further, having encouraged its beet producers with artificially high prices, much as it has done in other agricultural products. At present, as C. Czarnikow points out in its latest report, the Compaying equivalent of an astonishing

tries agreed to the idea in the £273.81 per tonne as an export rebate to sell sugar on the world market at about £113 a tonne. This is part of a vicious circle, since as the Community dumps more and more sugar into the world market, it further depresses the price, increasing the level of subsidy needed to compensate exporters for the gap between EEC support prices and the world price.

The situation, however, is not as bad as it seems for develop-ing world producers. Under Convention deal their Lome with the EEC, the already oversupplied Community imports 1.4m tonnes of raw sugar a year from the African, Caribbean and Pacific countries, mainly former members of the Commonwealth Sugar Agreement such as Jamaica, Mauritius and Fiji, The Price paid is based on the EEC internal support price and is the equivalent of around 17 cents a pound. Exporters, in this case includ-

ing Australia as well as develop-ing countries, also get a special deal in the U.S., where 30 exporting sugar producers are allocated quotas to sell sugar at the Government-administered support price of over 20 cents a

protect domestic growers According to Mr Simot According to air Simon Harris, group economist at S. and W. Berisford, which owns British Sugar, this complicated web of special deals explains the lack of political will to achieve a settlement in Geneva.

"Smaller experience are pro-"Smaller exporters are pro-tected by special trade deals, while the bigger exporters are not dependent on sugar and are more interested in other issues," he says. However, current prices do

not even cover the production costs of sugar in most countries. Even low cost producers such as Australia and Brazil cannot as Australia and Brazil cannot produce sugar for less than 12 cents a pound—nearly three times the going world price.

The underlying problem in

the main importing countriesthe U.S., Canada and Japan—is that demand has fallen sharply because of strong competition from alternative sweeteners. In the U.S., it is estimated that sugar itself now accounts for just over 50 per cent of the total sweeteners markets, com

ago. The main fall has been in retail sales — industrial use has increased slightly. High intensity sweeteners such as aspar-tame, 200 times sweeter than - offer potent new challenges to sugar.

pared with 80 per cent a decade

Overall world consumption has risen fairly modestly in

recent years from 89.7m tonnes in 1978/79 to 96m tonnes in 1983/84. The biggest increase has come from the Middle East and India, especially India where the Government has restrained domestic sugar prices and demand has been boosted by increased prosperity.
"There is a structural mis-

match in sugar," says the sugar analysts at London broker, E.D. and F. Man. "The industrialised countries can afford sugar, but they don't want it. Developing countries, where potential demand exists, simply lack the purchasing power. Even at 2 cents a pound, they may not have the foreign exchange available to buy sugar."
In the early 1970s, it was widely believed by market analysts that the sugar producers could count upon new industrial uses of sugar, such as the production of gasahol for cars, to mop up any excess supply. But only Brazil has developed sugar as the base for transport fuel on any scale. Faced with this analysis, the sugar producers have only one means of improving the economics of their business and that sage from Geneva is that they are unlikely to succeed. The only escape route from de-pressed world sugar prices seems to be a decision by the most hard-pressed sugar producers to switch to other

Towards a ... settlement

From Mr E. Whiting Sir,-Closure of collieries

now seems to depend on whether it is beneficial to the industry or not. This is a strange new criterion, which seems nowhere to be defined. Economics has at least a few more intelligible terms such as optimum allocation

The invention of vague and unfamiliar terms such as "uneconomic" and "beneficial" can only make negotiations more difficult, like talking in two different languages without an interpreter.

The real problem seems to be nothing more than the optimum timing of closures. All pits become exhausted one day and an exercise has surely to be mounted in each case, when exhaustion can be reasonably foreseen, to assess when closure should take place in the light of past performance and future projections.

ow to tabso index

I would suggest there would be a review of the colliery profit and loss account over the past few years. Fixed and variable costs should be clearly separated, including area and head office cost allocations and charges. Most of the information for the information in the in tion for a future projection, such as the colliery reserves of unmined coal, the likely maintenance costs as the seams become more difficult to work. the energy market and the price of coal, seems to be aiready in the hands of the

The next step is to compute the costs of closure and com-pare it on a discounted cash flow basis with the projected cash flows (sales less variable costs) over the next few years assuming the colliery were still working. The fixed assets, except the land, presumably have no value at all; the use of the existing equipment in this exercise comes for nothing. If the net present value, say, after two years, of the closure project was negative, then, on the present information, the colliery should remain open.

The result would, of course, be sensitive to the selling price of coal, the estimated cost of continuing operations (includrough rates and manpower needed) and the rate of interest assumed for the discount factor (the lower the rate the worse would be the case for closure). The exercise would inevitably be complicated and there would be much room for argument much room for argument

about the assumptions.
Only an independent inquiry Only an independent inquiry could examine and audit the existing colliery accounts, fairly appraise the assumptions about the future and arrive at a considered judgment. An inquiry into one colliery only would clarify the issues and

would not take too much time. I would suggest using Cortonwood, which sparked off the

Letters to the Editor

know where the real sticking point is. Edwin Whiting Manchester Business School. Booth Street West,

strike, as the example. If the

National Coal Board and the National Union of Mineworkers

cannot agree, at least we shall

Effects on industry

Manchester.

From the National Officer, Association of Scientific Technical and Managerial Staffs

Sir,-Much has been said about the effect of the coal dispute on the Central Electricity Generating Board and other sources of energy. Far less publicised has been the negative effect on the UK

negative effect on the UK manufacturing industries.
In the past ten days, prominent companies (and their employees) in three major sectors, electronics, cables and mining equipment, have expressed to me their extreme anxiety about the impact on their trading prospects.

The Confederation of British Industry has remained unusually silent. One can only guess

ally silent. One can only guess its motives. Mrs Thatcher however, must be aware of the rapidly deteriorating situation in this wider context. If she is, what is she prepared to do to assist

in settling the dispute? Tim Webb, 79 Camden Road, NW1.

VAT bad for exports

From the President, Chromalloy AeroServices

Sir,—The Government may regard the new VAT payment requirements on imports as some small curb on imports, some small curb on imports, but does it realise the dele-terious effects which the new system will have on exports? Those companies whose business and earnings derive from exporting goods which are temporarily imported into the UK are now being required to temporarily imported into the UK are now being required to make payments to the Treasury which they may not retain under the existing VAT system. This requirement to deposit money with the Treasury is a direct increase in industrial costs.

us of depositing VAT on the import value and waiting six weeks to recoup the money will be some 6 per cent of our sell-ing price. If we use a bank guarantee this cost would reduce somewhat to approximately 3 per cent of our selling price. Do we increase our prices and become uncompetitive with the rest of the world, or hold our prices and become unprofit-

Surely a system similar to Customs duty inward processing relief should be applied to VAT in this instance. Or, in suggesting this, have I merely indicated Treasury could reduce the country's export business? D. G. Attwood.

1. Linkmel Road, Eastwood, Nottingham.

The brunt of new technology

From Mr P. Sorgo
Sir,—Dr Martin Newby's
study (July 16) of the impact
of new technology on job losses
in the mining industry parallels
the evolution of job losses in many other industries as new technology is introduced. What is unusual, however, is the statement that "...in the long term it could make us dangerously dependent on imported fuels from politically unstable areas." I presume that Yorkshire and Scotland are placed alongside such politi-cally unstable areas as the U.S.A., Poland, or Australia.

The spectre of an energy cartel has been waved at us by OPEC and oil. Its relative failure should by now convince us that while in the short run there may be some unsers from there may be some upsets from the operations of a cartel (off-set by appropriate national stocks), in the long run the cartels will not be damaging. Dr Newby should therefore find some other arguments to place the miners in a special category, away from workers in other industries such as engineering, chemicals, steel, etc who have borne the brunt of modernisation via new tech-

Clos Rivoli, 6, 1410, Waterloo, Belgium.

The environmental

vote From the County Planning

Officer, Greater Manchester Council. Sir,—It is fronic that the Government should think of

the basis for co-ordinating activity on environmental matters, and wooing the "green" vote (Robin Pauley's report of It will be viewed with bitter-ness here in Greater Manchester

local government legislation as

where the Government almos seems determined to undo much of the good work of the past 10 years. GMC has one of the largest land reclamation programmes in the country. Its teams of specialist skills have achieved major successes with environmental projects in the river valleys, the green belt, conservation and landscape work, and in balancing the different interests involved in mineral working and waste disposal. All this is to be banded in a pointless abolition of the metro county councils. of the metro county councils. This is very well understood by the environmental lobby which is fighting for our retention. The Government will be hard pressed to establish itself as protector of the environment with these bodies; it will be judged by its actions and not by its words. D. J. Burns, County Hall Piccadilly Gardens,

Freedom to

Manchester.

manage

From the Chairman, Martin Paterson Associates

Sir,-It appears from Mi Fowler's latest personal pen-sion proposals that the Government intends to make covernment intends to make compulsory membership of an employer's occupational scheme illegal. It is therefore worth bearing in mind that it is the responsibility of management to decide what income provision is necessary to secure the sion is necessary to secure the orderly retirement of a company's employees, and how this should be funded. If it is considered that the present company scheme best serves that purpose, then the employer should not be prevented from allowing it to cover all his from allowing it to cover all his staff. On the face of it, there-fore, the proposals in the consultative document just issued amount to interference with the employer's freedom to run his business properly.

It might of course be argued that he can still make future financial provision for em-ployees who are not members of the scheme. But as the law stands at present there would be no tax relief on this. Perhaps such tax rehef will be allowed. And if so, will this apply to their dependants as well? Alternatively, does Mr Fowler have in mind that scheme membership can be compulsory so long as employees are not required to contribute to it? It would be interesting to have clarification

Martin Paterson. using the DoE team at present Martin Paterson.

organising the demise of the 10, Buckingham Place,
metro counties and other anti- Still.

National Australia Competitive



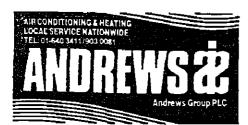
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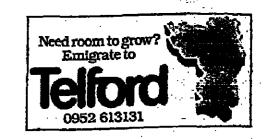
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FINANCIAL TIMES

Tuesday July 24 1984



The U.S. economy is accelerating, Stewart Fleming reports from Washington

Statistics tailor-made for Reagan

MR WALTER MONDALE, the Democratic Party's Presidential candidate, may be right in the judg-ment of the U.S. economy he offered to the party's convention in many economists expected. Indeed,

Mr Mondale's hopes of convincing voters that President Ronald Reagan's economic policies are and might signal an impending restoring up disaster for the future do not look too bright in the light of the current performance of the U.S. economy, however.

Unless something goes badly wrong in the next four months -and the chances of that happening get thinner with every new economic statistic released - Mr Reagan will have succeeded in managing the economic cycle to perfection, so far as its contribution to his re-election campaign is concerned. He is poised to claim credit for what Mr Alan Sinai, chief economist at Shearson Lehman American Express, describes as "some of the best statistics on U.S. economic performance in the last 20 years."

Real economic growth is continuing much more rapidly than even the Reagan Administration predicted. Yesterday, the Commerce Department revised its initial estimate of gross national product in the sec-ond quarter from 5.7 per cent to 7.5 per cent. Economists such as Dr Henry Kaufman, of Salomon Brothers in New York, are forecasting third and fourth-quarter real growth in the 4 to 5 per cent range. According to blue-chip economic indicators, the consensus forecast for

the year has risen to 6.5 per cent. Unemployment has been dropping like a stone since it peaked at 10.8 per cent in December 1982, and in June had fallen to 7 per cent.

Italian

bank in

\$284m

takeover

ISTITUTO Bancario San Paolo di

Torino, Italy's fourth largest bank,

yesterday agreed to pay nearly L500bn (\$284m) to purchase Banca

Provinciale Lombarda, the private

Lombardy bank which is controlled

by Sig Carlo Pesenti, the ailing fi-

nancier who is under investigation

by Milan's magistrates for impro-

prieties related to a 1972 loan from

San Paolo's acquisition of 86.6 per

cent of Banca Provinciale, an-

top three banks in Italy. The Turin-

based San Paolo is one of Italy's

Negotiations between San Paolo

executives and Sig Pesenti's son,

Banca Provinciale has been ru-

moured for even longer. In Italy, it

is widely seen as a way for Sig Car-

lo Pesenti to cope with mounting fi-

nancial difficulties connected with

his Ital Mobiliare empire of compa-

nies and banks. Sig Pesenti was in

1982 the largest single shareholder in the failed Banco Ambrosiono.

San Paolo, which last year re-

turned a net profit of L103bn, has a deposit base of L33,741bn. It also

controls Banco Lariano, another

northern Italian bank which has

120 branches. The addition of Ban-

ca Provinciale, which has 134

branches, in prosperous Lombardy.

will create a group with more than

600 branches, more than L45,000bn

in deposits, and a workforce of

A senior executive at San Paolo

said last night that he was confi-

dent the Bank of Italy would give

its approval to the acquisition of Banca Provinciale. The result of the

deal will be a San Paolo network

that covers the nothern Italian re-

gions of Lombardy, Piedmont and

Liguria, spanning the traditional in-dustrial triangle of Milan-Turin-Ge-

noa and also including some of Ita-

ly's wealthiest provinces.

Giampiero, have been under way for several months and the sale of

most profitable banks.

the Vatican.

Over the period more than 5m jobs be political. In recent years, the Fed have been created in the U.S. Inflation, too, has also defied the

forecasters by not rising as much as had too much influence on Congres-San Francisco last week, "We are living," he said, "on borrowed time."

Mr Mondale's hopes of convinction falling prices, particularly in certain commodity markets, should be a source of concern, not rejoicing, ble. cession in the world economy. They maintain that the Federal Reserve Board should ease monetary policy, a call that must be music to the ears of Reagan Administration cam-

> tion's report card. Tomorrow, a week after the Fed's monetary policymaking open mar-ket committee met in Washington, Mr Paul Volcker, the Fed chairman, is to present his twice-yearly report on monetary policy to Congress.

> The preliminary judgment in the markets after the FOMC meeting is that the central bank decided against any immediate action to tighten monetary policy, although some officials remain concerned that the pace of economic upswing is potentially inflationary.

> If that view of the outcome of last week's meeting is correct, it tends to confirm the judgment of those who argue that the central bank has limited room to tighten monetary policy, and who predict that Mr Volcker will tomorrow present a much more measured assessment of the economic outlook than in February. Then, he emphasised the dangers to the U.S. from huge budget deficits and dependence on for-

eign capital.

sional and Presidential elections. With the 1984 election campaign in full swing, the Fed will certainly want to avoid the headlines if possi-

The effect of this year's rise in interest rates on U.S. farmers and Third World debtors and on some European economies also suggests sons for tightening monetary policy of heagan Administration compaign strategists, who see this further. Significantly, the threat of year's sharp rise in interest rates as the biggest blot on the Administrathe biggest blot on the Administrapelling reason of all, is also not providing the central bank with the cast-iron case it needs in today's political climate to support a tougher

credit policy.

Of all the economic data, this year's inflation figures have perhaps been the most remarkable. The last three months have seen no increase in wholesale prices, and consumer prices have been rising at an annual rate this year of about 4.3 per cent, little changed compared with the past 12 months.

Even more striking in recent months have been sharp falls in commodity prices such as gold, copper, lumber and grains. Commodity indices have been dropping. The Economist magazine's index has fallen 11 per cent in the past six

Economists such as Mr Alan Rev nolds of the economics consulting firm Polyconomics say such declines in commodity and security prices might herald a new recession. They give warnings that such price declines erode the value of The biggest constraint on the central bank's freedom of action may against which banks have lent.

(\$54m). However, the central bank

pesos to meet depositors' demands.

Mr Fernandez said the rest was

paid to some of its affiliated compa-

partners. "Many other banks are

operating normally and the central

so long as they are well managed,"

Mr Fernandez said.

nies and large stockholders.

It is argued that such price de-clines show that inflationary expec-tations are moderating and that, because of the rising real interest rates stemming from falling prices, the risk of recession is increasing.

6: LUNEMPLOYMENT

1980 '81 '82 '83 '84

The contrary argument, and the one that has been governing the Fed's monetary policy, is that the cyclical upswing in the U.S., as it brings business closer to full capacity utilisation and the labour market to fuller employment, will lead to an acceleration in inflation, as in the past. Already some states are registering unemployment rates of under 5 per cent, although the national average is still 7 per cent.

The fact that inflation has not yet accelerated significantly, although the economy has been growing strongly, is attributed to a variety of

BFs investments are mostly in

property, which was depressed by the economic crisis. The failure of

many of BF's clients to pay their

property debts has caused the

Mr Fortunato Dizon, BF's execu-

tive vice-president, said two groups

uity for BF. One is Bank of the Phi-

lippine Island (BPI), one of the

country's most stable banks; the

other a group of foreign banks with

loan exposures in the Philippines. Mr Dizon said the foreign banks

vances to BF from the central bank.

pine banking system, which is char-

Local bankers see BF as a test

had shown interest in providing

shortage of liquidity in the bank.

They include the depth of the last recession: the strength of the dollar, which is helping to hold down domestic prices; the absence of any inflationary "shock" such as a jump in oil prices: the weakness of food and energy prices; deregulation; and the moderate rate at which wages are

In the first four months of this year, for example, average hourly earnings increased at an annual rate of only 3.4 per cent - less than the 3.9 per cent rise between the fourth quarter of 1982 and the fourth quarter of 1983, according to Data Resources.

Critics of the view that falling commodity prices are heralding a worldwide recession, such as Mr David Hale of Kemper Financial Services, point out that the strength of the economic upswing in the U.S. and recoveries in Japan and Europe point in the opposite direction.

The debate about the significance of the commodity price trends seems certain to be used by Republicans such as Congressman Jack Kemp to keep the pressure on the Fed not to push interest rates higher. The Fed, however, shows no sign yet of being forced off its strategy of "passive tightening" of credit - that is, of allowing market forces to push interest rates up.

It is that, with the evidence of considerable momentum in the economy and continuing strong credit demand, which leads most economists to predict that further rises in U.S. interest rates lie ahead. But many suspect that the biggest increases will not come un-til after the presidential election in

Editorial comment, Page 14

Banco de Mexico's reserves

Banco de Mexico have grown by more than \$2bn this year, Sr Miguel Mancera, the bank's direc-

Earlier this year, rumours that

the Government would take such action led to a big slump in the peso value in parallel peso-dol-iar markets in the U.S.

growth in the reserves indicated that the peso was still undervalued. He warned: "Don't take these intention to maintain a certain devaluation rate."

He argued that any abrupt change could have a crippling ef-

Yesterday was the first deadline given to former owners to buy back non-banking assets in the banks which were nationalised in 1982, and Sr Silva Herzog announced that 80 per cent of the shares on offer had been taken up. The minister described this result as "a clear vote of confidence in the immediate future of Mexico."

up \$2bn

By Our Correspondent in Mexico City

THE PRIMARY reserves of the

Sr Mancera, who was speaking at the opening of the first con-vention of Mexico's nationalised banking system, said that last Friday that the reserves stood at \$6.942bn, compared \$4.933bn at the end of 1983. He argued strongly against a one-oil devaluation of the Mexi-

can peso or an increase in the tion by which the U.S. dollar gains 13 Mexican cents against the peso each day.

But these markets have re-

turned to a level close to that of the "free" rate controlled by the Central Bank, in Mexico. In another speech Sr Jesus Silva Herzog, the Finance Minister, said it had been proved that it no longer pays to speculate." Sr Mancera said that the

words to indicate an inflexible

fect on many manufacturing companies which were heavily dependent on imported goods.

Leading Filipino bank closes as authorities refuse aid BY EMILIA TAGAZA IN MANILA THE LARGEST savings bank in bank governor, has said that aid to the Philippines closed all its BF had been suspended because which in turn provoked a massive flight of capital from the country.

the Philippines closed all its branches in the greater Manila the central bank had discovered that part of the emergency funds heavy withdrawals from many of its more than 3m depositors. Banco Filipino (BF), which has 46 branches in Manila alone, was forced to declare the "bank holiday" remiss in its duty to assist bank, after the central bank rejected its request for additional emergency 20 to July 20. central bank advances request for additional emergency 20 to July 20, central bank advances funds. 20 to BF had amounted to 979m pesos

BF's closure is the latest and biggest in a series of bank failures in the Philippines. Since the start of the year, almost 30 small savings rural banks have shut down. Out of the country's 34 commercial banks, 10 are also now reeling unnounced last night, should catapult San Paolo into a position among the der the prevailing economic crisis.

Although BFs closure did not affect yesterday's transactions in commercial banks considered "solid", streams of withdrawing depos-itors, many of whom were hysterical, trooped to smaller commercial and savings banks. Some members of the Bankers' Association of the Philippines are holding emergency meetings to draw up measures to cope with a possible spread of the

Bid for Hoare Govett agreed

Security Pacific already owns 29.9 per cent of Hoare Govett, the maximum allowed under existing

Strong second quarter for Standard Indiana

Mr Fernandez said be had ad- wanted to know whether they could

vised BF, which has total assets of use their loans to the government

about \$261m, to seek strong new as collateral for additional cash ad-

bank would continue providing ti- case for the Government's pro-

nancial assistance to needy banks gramme of streamlining the Philip-

Ar Fernandez said. acterised by the proliferation of BFs troubles started late last small and undercapitalised finan-

year at the onset of the political and cial institutions. For the past five

economic uncertainties that fol- years the Government has been try-

lowed the assassination of Mr Ben- ing to weed out the numerous inef-

igno Aquino, the popular Filipino ficient banks from the system, but opposition leader. The murder set the central bank has nonetheless

off massive anti-government rallies, continued to rescue troubled banks.

STANDARD Oil Company (India-na), the fifth biggest U.S. oil company, increased its second quarter net income by 23 per cent to \$524m afment in principle to acquire be-tween 80 per cent and 90 per cent of ter a 49 per cent jump in first-quar-ter a 49 per cent jump in first-quarter earnings that was mainly attributable to a turnround in its downstream refining and marketing op-

Revenues in the latest three months were unchanged at \$7.4bn and for the six months are up marginally from \$14.bn to \$151bn. Net income in the latest six months is 35.5 per cent ahead at \$1.12bn and earnings per share for the same period are 36 per cent higher at \$3.84. Standard earned \$6.39 a share in the 12 months to end December

The company attributed the second-quarter profits rise to firming prices for its oil, natural gas and chemicals products in the U.S. and overseas markets.

> The company said its U.S. exploration and production operations had net earnings of \$525m in the quarter compared with 5219m last year "due primarily to higher natural gas production volumes and prices as natural gas demand continued to strengthen."

> > Foreign exploration and production operations had net earnings of \$200m in the second quarter, up 10 per cent from last year's \$182m. Lex, Page 16; Union Carbide

results, Page 17

THE LEX COLUMN

Sugar for Brooke Bond's teacup

Tate & Lyle has been chasing af-ter an acquisition for so long that the market had almost given up trying to identify possible quarties. The length of the hunt may in itself help to explain the generally lukewarm response to yesterday's news of a £300m bid for Brooke Bond. That company, after all, is such an obvious target that its selection at this stage may say less about the merits of buying Brooke Bond than about Tate's failure to come up with something more imaginative else-

That is perhaps being uncharitable to Tate. The group could not until recently have contemplated bidding for anything of Brooke Bond's size and it is difficult to envisage an alternative idea which would been greeted with unalloyed joy in the market. An acquisition which took Tate further into commodity food products would have raised doubts about the long-term quality of earnings, while diversifi-

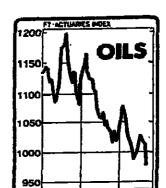
ill-equipped to cope.

By offering to buy Brooke Bond,
Tate will admittedly attract criticism on both counts. The quality of BB's agricultural earnings is very poor and the quality of many of the associated assets even worse. At the moment, plantations are probably contributing over a third of group operating profits, but that almost certainly represents a cyclical peak. Tate has budgeted accordingy and is reckoning on a base figure for BB profits of around £50m pretax, rather than the £70m or more the group will produce for the year just ended. Tate hopes to reduce BB's equity participation in planta-

experience, that is a long and gen-erally profitless strategy. Meanwhile, the development and distribution of grocery products is a business which BB understands well and on which it makes very high returns, at least in the UK. While not even BB's most ardent admirers would claim the purchase of Mallinson Denny as a success, Tate's own chequered acquisition record and its relative inexperience of packaged groceries hardly quali-fy it to criticise.

tions but, as it knows from its own

On the present terms, the combined group would emerge with a debt/equity ratio in the mid-40s, while there would be little, if any,



£100m or more through the disposal of Mallinson and the Baxters butch-

ers chain. The Tate management has done an excellent job of rationalising its business over the past three years and the mature, cash-generative characteristics of the sugar trade quality of earnings, while diversifi-cation would have drawn the com-ment that Tate's management was

Enterprise Oil

Oil shares have been on the same well-lubricated slope as the rest of the market this summer, given no more than a downward nudge by the complicated debut of Enterprise Oil three weeks ago.

The fact that underlying oil prices had been sliding away from the oil companies was until this week recognised by the stock martion of the sector's equity, which fared little worse during July than the rest of the market. Yesterday, however, the decisive-looking crack in spot prices which has taken Brent crude below \$28 per barrel was translated into a 4.5 per cent slide in the shares. The nervousness goes beyond a

belated discounting of Opec overproduction, which has in any case

overhang. But no one knows what Opec will produce.

The difficulty is that BNOC, the contract price setter for North Sea.

Oil, might soon come under critical pressure to reduce its prices for the forward months.

Experience of erosion in the spot market gives little guide to pricing policy when spot-discounts move much above \$2 per barrel. At less than \$2 the contract prices have been sustainable. If the slide goes much further it has a nasty habit of widening suddenly to \$5 or more-and taking the term price with it.

Nottingham Mfg.

Nottingham Manufacturing's shares underperformed the rest of the market by 20 per cent in 1983 and shareholders have been treated to more of the same over the last three months. Down 6p at 196p, the shares are more or less back to where they started at the beginning of last year.

None of that appears to have had much impact on management's dis-taste for discussing its business in public - which, indeed, begins to look a part of the problem. The undoubted quality of Nottingham's op-erations, evident from its profit growth through the recession, used to strike the City as more than ample compensation for having an incomplete picture of the company. But recent shifts in Marks & Spenweek recognises by the suct man-ket more in theory than in its valua-cer's buying policies have changed tion of the sector's equity, which all that. Whatever the real impact of M & S's decision to review its clothing department strategy, the City has grown increasingly concerned about the effects on Nottingham.

adit fi

Yesterday's interim profits for the half-year to June will do noth ing to allay those fears. Pre-tax profits of £1.2m mark a small advance on the back of a 20 per cent jump in investment income. But the trading margin has fallen from 4.3 been public knowledge for some trading margin has fallen from 4.3 time. Indeed there is an optimistic to 3.7 per cent and this looks attrib view that - apart from the effects of utable to Nottingham's inability to accelerated liftings in Nigeria – the Opec supply hump should be declining in the next few weeks.

utable to Nottingham's inability to push through price increases to offset the higher sterling cost of its imported raw materials; how much At some point the spot price this problem has been exacerbated should start to feel the benefits of by new strains on the company's recuts which are supposed to have lationship with M & S, though, is succeeded the excesses. In the last still far from clear. Nottingham has two quarters of the year demand for a strong order book and should Opec oil might approximate to the manage pre-tax profits of £27m this dilution of earnings. The cash out- quantity being produced, leaving year - but the share price surely lay, moreover, could be reduced by the market with the problem - awaits some broader message.

news of the Council of The Stock Each



Bowater Incorporated

100,000,000

Shares of Common Stock of U.S. \$1.00 par value including 1,000,000 shares reserved for issue

30,255,357

Bowater Incorporated (the "Company") and its subsidiaries, based in the U.S.A., is primarily a major integrated producer of newsprint, coated publication paper and kraft market pulp. It is currently the largest producer of newsprint in the United States and the third largest producer in North America. For the year ended 31st December, 1983 the Company had revenues of \$771.7 million and net income of

\$38.0 million. Shareholders funds at 31st December, 1983 were \$334.5 million.

Revenues for the first six months of 1984 were \$467.6 million compared to \$361.3 million for the first six months of 1983. Net income for the first six months of 1984 was \$24.7 million (\$.95 per share), an increase of 57% over net income of \$15.8 million (\$.63 per share) for the same period of 1983, The Council of The Stock Exchange has admitted to the Official List all the 30,255,357 Shares of Common

Stock of the Company issued and reserved for issue.

Particulars relating to the Company are available in the Extel Statistical Service and copies of such particulars may be obtained during usual business hours on any weekday (Saturdays and public holidays excepted) up to and including 15th August, 1984 from:

> **Credit Suisse First Boston Limited** 22 Bishopsgate, London EC2N 4BO

Laing & Cruickshank

Piercy House, 7 Copthall Avenue. London EC2R 7BE

24th July, 1984

Mr José Fernández, the central

By Paul Taylor in

SECURITY PACIFIC, the West Coast U.S. banking group, said yes-terday that it had reached an agree-Hoare Govett, the British stockbroking firm, when UK regu-

The banking group said the terms of the agreement valued Hoare Covett at £78m (\$103.5m).

Security Pacific said it intended that the day-to-day management of Hoare Govett should remain un-

Brooke Bond fights £295m bid Continued from Page 1

end of last March.

The City of London and the company itself, see this improvement cession in the construction induslargely as a reflection of cost reductry, are only now beginning to yield tion and rationalisation, notably the results. Tate's eyes are now fixed closure of the Liverpool refinery in on the food industry, however, and 1981 and concentration of produc- it emphasised: "Those businesses in tion at the Thames plant. The com- both companies which do not fit pany's shipping line and the Zy- with this strategy will be kept unmaize alternative sweetener plant in the U.S have been sold.

der constant review."

Mr Shaw said: "Even in the worst

the foreseeable future, but Brooke continue with the total merged ceeded in greatly improving the company's performance since 1980."

Bond has attempted to develop one important strand of diversification in recent years by buying Mallindividend cover." Bond has attempted to develop one group, without disposals, and £30.7m to £57.3m over that period son-Denny, the timber importer and its borrowing eliminated by the and distributor, in 1981 for £60m.

Its attempts to master that new

The total UK food market is not case, by which we mean that interexpected to grow significantly over est rates hit 15 per cent, Tate could

achieve satisfactory interest and

Brooke Bond's profits have grown from £41m to £48.2 in the year to June 1983, but debt repre sented less than 40 per cent of shareholders' funds on that date and the group, advised by Lazard Bros, is expected to underpin its defence with the strength of its supermarket brands and the improving returns on its timber and tea blend

ing operations. Tate, advised by Kleinwort Benson, will send out its formal offer document shortly.

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Norld Weather

SECTION II - INTERNATIONAL COMPANIES

FINANCIALTIMES

Tuesday July 24 1984



Brochure available from: W Cenning ple, Cenning House, St. Paul's Squart Birmingham B3 10R, Telephone 021-236 8224

sets pace at Sears Roebuck

By Terry Byland in New York

SEARS ROEBUCK demonstrated the continued strength of its core consumer retailing business with a 14 per cent rise in net earnings to \$356m or 99 cents a share in the sec-

The financial services division turned in losses, with Dean Witter, the Wall Street broking subsidiary, recording a loss of \$21.2m for the first half-year, against a profit of \$72.5m last time. Group sales for the quarter gained 9.2 per cent to

Mr Edward Telling, chairman and chief executive, expects consumer spending to continue strong in the second half. At the six-month stage, Sears has earned a net \$569.8m or \$1.59 a share, a gain of 21 per cent. Sales, at \$17.81bn, have put on 10.4 per cent.

Income at the merchandising group advanced by 82.5 per cent to a record \$294.9m in the first half, on sales only 8.3 per cent ahead at \$11.86bn. Allstate Insurance increased revenues by 11 per cent but tightening margins left profits at \$289.9m, only 6.4 per cent up.

Coldwell Banker Real Estate lifted earnings from \$28.8m to \$32.5m but Sears World Trade increased its loss from \$3.3m to \$10.1m.

For the whole of fiscal 1983, ars, the world's largest retail or ganisation, earned \$1.3bn or \$3.80 on revenues of \$35.9bn.

Cummins sees benefit from truck recovery

By Our New York Staff

CUMMINS ENGINE, the U.S. diesel engine manufacturer, notched up record earnings in the second quarter of this year, as the group benefited from the vigorous recov-ery in the North American truck

Net income amounted to \$45.4m or \$4.78 a share, against a loss of \$20.96m, or \$2.26 a share a year ago. Record first-half earnings bounced back from a loss of \$26.6m, or \$3.08 a share, to \$83.83m, or \$8.81 a share.

Sales in the three month period rose by 69 per cent to \$599m from \$355m, while in the half year they were up by 64 per cent from \$715m

The group said production of heavy duty truck engines was at record levels and that its share of the North American market remained above 60 per cent.

It pointed to a slackening in the rate of growth, which had already levelled in a manner consisten with moderation in the economic recovery." It forecast total North American production for the year of 150,000 heavy duty trucks against 82,000 in 1983.

Eaton Corporation, the Cleveland-based components and advanced technology products group, increased net second-quarter profits of \$21.3m or 73 cents a share last year to \$71.6m, or \$2.22 a share.

Mr E. M. de Windt, chairman, said the record performance was the result of the general improvement in the economy, vigorous truck and car markets, and benefits from the "sweeping reorganisation" of the components segment in 1983.

Sales jumped by 36 per cent in the quarter from \$860.2m to \$897.5m, and rose in the half year by 35 per cent from \$1.27bn to \$1.71bn. Net income for the sixmonth period amounted to \$131.4m, or \$4.07 a share, against \$29.6m, or

Mr de Windt said the reorganisation of the group's electronic and electrical segment was largely com-plete, and the benefits would be reflected in the company's 1985 per-

Sharp recovery at Armco and Wheeling-Pittsburgh

net loss to \$14.1m. Wheeling-Pittsachieved a \$24m swing from losses into profit with net income of \$5.3m for the same period.

The two companies are the latest members of the steel industry to report improved performances in line with the U.S. economic recovery. Inland Steel, the fifth biggest steel maker, last week reported a \$36m

profit of \$44m in the first six Wheeling-Pittsburgh, in which months of this year. Armco's spe- Japan's Nisshin Steel recently took

ARMCO, the sixth biggest U.S. cial steel operations roughly a 9.8 per cent stake, yesterday resteel company, yesterday reported a sharp drop in its second-quarter its to \$48.4m.

burgh, a smaller steelmaker, has reported a net profit of \$42.2m, per cent to 634,573 tons. which includes a special \$172.5m gain on the sale of the West Virginia coal operations. It also includes a Carney, the chairman, who is wide \$105m pre-tax provision for a loss in ly credited with bringing the com-Armon's discontinued insurance

ness which has not benefited from the economic upswing is its oilfield man, said the group's carbon steel operations had swung from a loss of 195m in the first half of 1000 operations had swung from a loss of problem "with the depressed oil-\$95m in the first half of 1983 to a field equipment business."

For the first half of 1984 Armco a rise in shipments of more than 50

The company remains cautious about the second half, Mr Dennis pany safely through the last reces-sion, says: "Although continued cost reductions and productivity improvements have lowered our ume and continued severe price discounting in the markets for our products will significantly impact profitability through the third quar-ter. Imports continue to capture 25

Leading U.S. drug producers suffer lacklustre results

SMITHKLINE Beckman and Schering-Plough, two of the biggest U.S. pharmaceutical groups, disclosed lacklustre results for the second quarter, adding to the cloud of doubt floating over the sector for the past fortnight

SmithKline, producer of the Tagamet anti-ulcer drug, lifted net earnings by less than 4 per cent to \$120.2m or \$1.50 a share on sales of \$713.5m against \$694.7m. Profits for the first half from continuing operations show a gain of 3.8 per cent to \$250.7m or \$3.07 a share.

Stock in SmithKline has taken a beating on Wall Street over the past two months as brokerage analysts computed the effects of Zantac, the

of Tagamet, which earns about half dampened by "increasingly unfa-the group's profits. dampened by "increasingly unfa-vourable exchange rate compari-In fiscal 1983, SmithKline earned

\$486m or \$5.85 a share, with growth

rates in Tagamet sales slowing to 7

per cent from the 20 per cent of two Schering-Plough reported that the continued strength of the dollar has hampered its performance in the first half. With nearly half the group's sales made outside the U.S. exchange rate factors cut 6 cents

\$47.9m or 95 cents a share on reduced shares outstanding. Sales im-proved from \$485.2m to \$475.8m. fast-growing anti-ulcer drug pro-duced by Glaxo of the UK, on sales said profits would continue to be mance in the latest quarter.

sions," although he expected better earnings growth in the second half. For the six months, Schering earned \$101.2m or \$2 a share against \$105.8m or \$1.97 from sales

In contrast Squibb, the New York-based drugs and cosmetics company, increased net earnings for the second quarter by 17 per ter, to help produce a dip in net profit from \$50.3m or 94 cents to \$47.9m or 95 cents a share on sales of \$440.5m against \$427.9m. First half net of \$84m or \$1.57 compares with \$72.4m.

of \$962.1m against \$937m.

Mr Richard Furland, chairman proved from \$465.2m to \$475.6m. said all operating segments contrib Mr Robert Luciano, chairman, uted to the favourable sales perfor

State cash injection for Seat

ish state-controlled car manufacturer, after changes in accounting procedures which have brought extra charges of Pta 31.5bn (\$195m), on top of record 1983 losses of Pta

The Government has committed The upsurge has been fuelled by itself, through the state holding dramatic increases in volume and company INI, to a major effort to it Seat on a sound financial footing, on the expectation that new models will bring the company back to break-even by next year.
As a first step Seat's nominal Pta

38.5bn capital has been written

UNION CARBIDE, the third largest

years, has more than doubled prof-

its for the second consecutive quar-

ter. Net income has risen \$64m to

\$126m in the three months to June

The group's petrochemical opera-tions led the profit upsurge with second-quarter operating profits jumping from \$32m to \$94m.

BY PAUL TAYLOR IN NEW YORK

a small Philadelphia-based carrier

formed to serve the Atlantic City gambling market, is the latest casu-

Petrochemicals lead

U.S. chemical company, profits of port lower profits was co which have been sliding for several products, where operating e

U.S. airline hit by deregulation

AMERICAN International Airways, vember 30, the airline reported a

Union Carbide upswing

capital injected into the company. In addition the state is to contribute Pta 21bn towards covering a 1983 loss. This is equivalent to the deficit originally foreseen by the company

for the year. A further Pta 45.9bn is due to be ploughed into the company over the next few years to cover deprecia-tion, capital losses at subsidiaries further trimming of the 25,000strong workforce, an INI spokesman said.

The only part of the group to re-

products, where operating earnings fell \$14m to \$36m, largely because

Sales rose 9.6 per cent to \$4.8bn

and the company's gross margin ra-

ter was the highest for any quarter

in the last five years. Total over-

heads were down on the same peri

loss of \$11.8m on revenues of

\$52.8m. Earlier this week it reported a first-half loss of \$15m on reve-

of overseas battery sales.

He said Seat was expected to re-

A NEW funding programme has down to zero and Pta 42bn of new This follows the launch at the been drawn up for Seat, the Span-capital injected into the company. beginning of the year of a Seatbeginning of the year of a Seat-made version of the Volkswagen companies signed in 1982 in the wake of Seat's separation from its previous partner, Fiat of Italy. The Spanish group is also in the process of launching its first "Spanish" car, the Ibiza, a small saloon developed

Seat is 95 per cent owned by the state, and last year became the heaviest lossmaker in Spain's industrial public sector. Its sales of duce its losses sharply this year. cars in Spain fell by 9 per cent

Share rights move by Crown Zellerbach

By Our Financial Staff

special dividend of common share

rights. The company said it was not tio of 31 per cent in the second quarthe move is believed to have been prompted by the burst of takeover activity in the sector which has seen the takeover of Continental Group and an offer from Mr Rupert Murdoch, the Australian publisher,

\$30, until July 1994.

mustry. It has filed for protection from its creditors under Chapter 11 softhe U.S. bankruptcy code.

American International, owned by AIA Industries. has been also as the state of \$33.5m and warned that it had a working capital deficit of \$19.6m and might be forced into Chapter 11.

AIA's major shareholder. The rights will not be exercisable until someone acquires 20 per cent of the company's common shares, or makes an offer for 30 per cent. While execising of the rights by other shareholders would dilute the

CROWN ZELLERBACH, the U.S. forest products company, has moved to protect itself against un-welcome takeovers with a complex

aware of any takeover attempt, but for 50.1 per cent of St Regis.

The board of the San Francisco-

based company has declared a spe-cial dividend on each common share, entitling shareholders to buy one more share for \$100, more than three times Friday's closing price of

mapter 11.

AIA's major shareholder is KB by AIA Industries, has been plagued by losses since expanding its service last autumn from a charter carrier to a scheduled airline carrier to a scheduled airline carrier. equity held by a predator, the prem-ium payable could force upwards the value of any offer. its equity stake from about 5 per

Rescue agreed for Brazilian steelmaker

ing 12 cities. its equity stake from and its fiscal 1983 year ending No-

BY ANDREW WHITLEY IN RIO DE JANEIRO

THE VILLARES Group, Brazil's leading heavy engineering group, has agreed with the state develop-ment bank, the BNDES, on a rescue plan for its loss-making steel prod-

Vibasa, the largest producer of heavy forgings and castings in the southern hemisphere, started production in 1980 after investments estimated at \$500m. The collapse of the domestic capital goods market, and its high level of domestic and external debt, generated serious losses from the outset.

Under the complex rescue plan

will provide Vibasa with a 15-year, low interest loan of Cr 60bn (\$34m) to finance the conversion of external debt into cruzeiros.

Shareholding in Vibasa - originally 84 per cent Villares companies and 16 per cent BNDES - has also been restructured, to limit the impact of the continuing red ink on the rest of the family-owned group.

The original shareholders have reduced their participation in Vibasa to 49 per cent and set up a new holding company, Catena, with a 79bn by the end of the month.

About 30 per cent of the new shares are on offer to outside investors on the Sao Paulo stock exchange up to next Wednesday. But if there are no takers, Catena is committed to taking up the 29.8 per cent shareholding being relin-

quished by Acos Villares, Vibasa's publicly quoted parent company.

This would guarantee majority control for the original owners, the Villares family, who have put up the equivalent of \$8m in additional capital for Catena.

According to Sr Paulo Diederichpaid-up capital expected to reach Cr 79bn by the end of the month. Sen Villares, the group's president, Vibasa is operating at its full capac-

rty of 360,000 tonnes a year and is producing an operational profit. Vibasa was conceived in the mid 1970s and set up with considerable Government encouragement, with the aim of becoming the leading force in the Brazilian heavy equipment industry. It was to supply major components for key develor ent projects, notably the Itaipu hydroelectric dam - the world's largest - and the nuclear power sta-

tion programme. Since Itaipu's completion and the virtual freeze on power station construction, Vibasa's market has disappeared and its outlook slumped.

Strong last quarter lifts Wang to \$210m

WANG LABORATORIES, the U.S.

computer group, yesterday reported sharply higher fourth-quarter and full-year results despite the adverse impact of the strong dollar.

The group, which is based in Lo-well, Massachusetts, said fiscal fourth-quarter earnings increased by 32.6 per cent to \$73.7m or 52 cents a share, from \$55.6m, or 41 cents, a year ago. Revenues grew by over 51 per cent to \$713.8m from The latest quarter boosted full

year net earnings to \$210.2m, or \$1.52 or \$1.16 a share, on revenues of \$1.54bn in the previous fiscal Wang noted, however, that op-

erating margins in the fourth quar-ter were hit by the strong dollar and by "heavy shipments of accu-mulated backlog of professional computers and large competitively bid contracts which have lowerthan-average margins." Separately, Prime Computer, the

minicomputer maker, said second-quarter net earnings more than doubled to \$12.8m, or 27 cents a share, from \$8.4m, or 13 cents.

Fiat group profits jump 85% on modest sales gain

BY ALAN FRIEDMAN IN MILAN

FIAT, Italy's largest private sector conglomerate, yesterday an-nounced an 84.6 per cent rise in its 1983 consolidated net income, to L253.4bn (\$143.8m).

The 1983 net profit was achieved on group consolidated revenues of L21,985bn, which represented an increase of 6.6 per cent year on year. The Fiat figures are the third consolidated accounts produced by the Turin-based group, which is 30 per cent-owned by the Agnelli family.

Financial disclosure habits and ecounting procedures in Italy are generally acknowledged to be some years behind standards in the United States or the UK. So the Fiat consolidated accounts stand out as an example for other Italian companies to follow.

Yesterday's figures followed the release of Fiat SpA parent company results in May - in these the net profit was also nearly doubled, to The 1983 consolidated figures

cover 410 subsidiaries and 134 associated companies operating in 52 countries, including major operations in Brazil. The total Fiat workforce last De-

20,000 from the end of 1982. Nearly 85 per cent of Fiat workers are employed in Italy.

Consolidated operating income for the group last year came to L1,302bn (L1,211bn in 1982) and was reached after depreciation and amortisation charges of L1.215bn (L1,008bn in 1982). The pre-tax group profit last year was L375.9bn, an increase of 43.9 per cent.

Fiat's total group net debts declined last year by L768bn to L5,401bn. This compares with net consolidated equity of L5,106bn. Group cash flow last year totalled L1,468.5bn, against L1,145.1bn in

penditure was 112 per cent higher at L556bn, while investments were up by 10.4 per cent at L1,453bn.

About 52.5 per cent of Fiat's total group sales of L21,985bn came from ialy and other countries in the EEC accounted for a further 26 per cent. The group's profit-making car division accounted for more than half of group turnover at L11,888bn vehicles division represented about cember was 243,808, a reduction of one-fifth of group revenues.

Commerzbank feels earnings pressure as costs increase

BY JOHN DAVIES IN FRANKFURT

COMMERZBANK, the West Ger- with a year ago, as well as pay man commercial banking group, is rises.
suffering pressure on its earnings The because of increases in costs of personnel and equipment.

In the first half of this year, the bank's partial operating earnings of DM 293.5m (\$103m) were 14.9 per cent below the record six-month average of last year. Partial operating earnings are basically a bank's net interest and commission income, less running costs, but do not take account of some other earnings or of adjustments such as securities

In an interim report yesterday. Commerzbank said its surplus on interest rate business edged down 1.4 per cent to DM 887.6m, while its commission business produced 1.3 per cent less at DM 297.2m.

On the other hand, the cost of salries and associated social security in the number of staff, compared period last year. For the first six try.

profits nearly doubled at DM 213m. A DM 6 per share dividend was paid on last year's results, after The cost of equipment and materials was up a hefty 9.6 per cent at three-year gap in payments

DM 245.8m. The bank said this re-Commerzbank's parent bank business volume increased by 3.5 per cent to DM 71.36bn in the first half of this year, partly because of the impact of exchange rate changes on foreign business. It said flected the continued introduction of modern technology into banking already indicated they expect satisfactory, although possibly lower, opthat credit demand from business erating earnings this year. With a clients continued to be restrained sharp rise in operating results last but borrowing by private customers year, the bank reported group net remained buoyant.

Hughes Tool reports loss

BY OUR FINANCIAL STAFF

its dividend and taking a \$175m contributions rose 4.3 per cent to DM 544.8m, because of an increase S135.1m against \$22.4m in the same sion in the U.S. oil services indus-

HUGHES Tool the U.S. oiffield services company which earlier this month announced it was slashing pared with \$21m last year. The pared with \$21m last year. The pared with \$21m last year. write-offs cover surplus inventory

Business information groups well ahead

By Our New York Staff

TELERATE, the fast-growing U.S.-based electronic business information group which is majority-owned by Exco, the UK money-broking group, yesterday reported a further surge in subscribers, reven net earnings in its fiscal third quar-

Separately Quotron, which sup-plies electronic stock price and other financial information, also reported large increases in secondquarter revenues and profits.

Telerate's net earnings increased by 33 per cent to \$7.54m or 17 cents share from \$5.66m or 13 cents a share on revenues which grew by 34 per cent from \$18m to \$24.2m in the latest quarter.

For the first nine months of its fiscal year Telerate's net earnings increased by 50.6 per cent to \$20.9m or 47 cents a share from \$13.88m or 34 cents Revenues increased by 45 per cent to \$68.2m from \$47.1m, while pre-tax earnings surged 59.5 per cent to \$39.86m from \$25m.

Quotron's net income increase by 24 per cent to \$6.87m or 20 cents a share on revenues of \$46.6m compared with net earnings of \$5.53m or 16 cents a share on revenues of \$36.73m a year earlier.

The company, which recently in troduced its advanced system 1000 service, said first half net earnings increased to \$13.78m or 40 cents a share from \$10.98m or 32 cents a year earlier. Revenues grew by 28 per cent to \$91.1m.

Technip to cut jobs in bid for recovery

t engineering company, plans to lay off nearly 30 per cent of its workforce in a move which further reflects the group's financial diffi-The company, whose main share holders include the French Petro-

TECHNIP, the leading French pro-

leum Institute, and the two French oil companies Elf-Aquitaine and Total, has told labour unions it wants to cut 760 jobs, including about 550 compulsory redundancies, from the workforce total of 2.753. The French oil industry is con-

Apart from financial problems, Technip has suffered some impor-

All of these bonds having been sold, this announcement appears as a matter of record only.



Berliner Bank

The Council of Europe Resettlement Fund for National Refugees and Over-Population in Europe

Fonds de Réétablissement du Conseil de l'Europe pour les Réfugiés Nationaux et les Excédents de Population en Europe Strasbourg/Paris

DM 100,000,000 8 % Bearer Bonds of 1984/92

Berliner Handels- und Frankfurter Bank

Allgemeine Elsässische Bankgesellschaft Bayerische Hypotheken- und Girozentrale

Delbrück & Co Deutsche Girozentrale

Georg Hauck & Sohn Bankiers Kommanditgesellschaft auf Aktien Landesbank Rheinland-Pfalz

- Deutsche Kommunalbank -

- Girozentrale -Norddeutsche Landesbank Girozentrale Vereins- und Westbank

Abu Dhabi Investment Company Banca del Gottardo Banque Internationale à Luxembourg S.A.

Hill Samuel & Co. Limited Pierson, Heldring & Pierson N.V.

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Bank für Gemeinwirtschaft Aktiengesellschaft Bayerische Vereinsbank Aktiengesellschaft

DG BANK Deutsche Genossenschaftsbank **DSL Bank** Deutsche Siedlungs- und Landesrentenbank Bankhaus Hermann Lampe Kommanditgesellschaft

Commerzbank

Trinkaus & Burkhardt

B. Metzler seel. Sohn & Co.

Girozentrale

Westdeutsche Landesbank

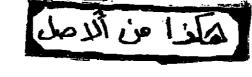
Banque Indosuez Crédit Commercial de France Genossenschaftliche

Al-Mal Group

Swiss Bank Corporation International Limited

Zentralbank AG-Vienna

Kredietbank International Group



TS

1,33bn 85,2m 4,44

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U.S.\$100,000,000

Creditanstalt-Bankverein (Incorporated, with limited liability in Austria)

14% SUBORDINATED BONDS DUE 1988 WITH 100,000 WARRANTS TO PURCHASE 14% SUBORDINATED BONDS DUE 1991

The following have agreed to subscribe or procure subscribers for the Bonds Due 1988 and the Warrants:

MORGAN STANLEY INTERNATIONAL

CHASE MANHATTAN CAPITAL MARKETS GROUP

DEUTSCHE BANK AKTIENGESELLSCHAFT

EUROPEAN BANKING COMPANY LIMITED

GOLDMAN SACHS INTERNATIONAL CORP.

MANUFACTURERS HANOVER LIMITED

ORION ROYAL BANK LIMITED

S.G. WARBURG & CO. LTD.

BANCA COMMERCIALE ITALIANA

BANK OF TOKYO INTERNATIONAL LIMITED

BANKERS TRUST INTERNATIONAL LIMITED

BANQUE BRUXELLES LAMBERT S.A.

AMRO INTERNATIONAL LIMITED

BANQUE NATIONALE DE PARIS

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SALOMON BROTHERS INTERNATIONAL LIMITED

SOCIÉTÉ GÉNÉRALE

SOCIETE GENERALE DE BANQUE S.A.

SUMITOMO FINANCE INTERNATIONAL

SWISS BANK CORPORATION INTERNATIONAL

UNION BANK OF SWITZERLAND (SECURITIES)

The Bonds Due 1988, in the denomination of U.S. \$5,000, with the Warrants, with an issue price of 102 per cent., the Bonds Due 1988, the Warrants and the Bonds Due 1991, in the denomination of U.S. \$1,000 with an issue price of 100 per cent., have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary Global Bonds and the Global Warrant. Interest on the Bonds Due 1988 and the Bonds Due 1991 is payable annually in arrears on July 31, commencing on July 31, 1985.

Particulars of the Bonds and the Warrants and of Creditanstalt-Bankverein are available from Extel Statistical Services Limited and may be obtained during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including August 7, 1984 from the brokers to the issue:

July 24, 1984

Cazenove & Co., 12, Tokenhouse Yard, London EC2R 7AN

British Aerospace \$147,500,000

Limited Recourse Leveraged Lease Financing of 10 BAe 146 – 200 Aircraft

to be leased to

Pacific Southwest Airlines

The undersigned acted as advisor to British Aerospace Public Limited Company, structured this transaction and arranged privately both the equity and management of the debt.

Goldman, Sachs & Co.

New York Boston Chicago Dallas Detroit Houston Los Angeles Memphis Miami Philadelphia St Louis San Francisco London Hong Kong Tokyo Zurich



June 1984

INTL. COMPANIES & FINANCE

Riccar granted court protection

By Robert Cottrell in Tokyo

RICCAR, a sewing machine manufacturer, was granted court protection from its creditors yesterday in Japan's fourth-largest corporate failure. Riccar is estimated to owe Y105bn (\$429m) to creditors. The company's shares were suspended at Y70 amid a wave of selling orders on the Tokyo Stock Exchange vesterday. The stock had fallen sharply through

last week having traded last
Monday at Y175.
Last week saw the resignation from Riccar's board of
three directors on secondment three directors on secondment from Mitsui Bank, the Long-term Credit Bank of Japan, and Toho Mutual Life Insurance Company. Mr Kaneshige Komatsu. Riccar's senior managing director, said the three had resigned for purely personal reasons. He also denied rumours that the three respective financial institutions.

respective financial institutions had refused fresh loans. According to Mr Komatsu, the company had "voluntarily" decided not to borrow more money. Mr Komatsu maintained that the company had enough cash to meet its immediate obligations, including debt re-payments totalling Y880m this

payments totalling Y880m this week, Y1bn in August and Y1bn in September.

The company also unveiled plans to raise cash by selling a subsidiary owning a chain of 12 hotels, as well as the group headquarters building in Tokyo's Ginza district, Closure of up to 100 branch offices, and heavy redundancies among the 2.300-strong workforce, were

2.300-strong workforce, were also expected.

Brokers say Riccar's creditors lacked confidence in the company's plans, and in the adequacy of information which they were receiving on its financial position. They say Riccar's fundamental problems relate to its over-reliance on relate to its over-reliance on sewing-machines, which account for 57 per cent of its sales, and its failure to develop high-technology consumer products. The company lost Y825m net in the year to end-March 1984.

Yoko Shibata adds from Televic Riccar appears to have Tokyo: Riccar appears to have been boistered for the past few months in part by short-term loans from foreign banks. A list of bank creditors published vesterday showed that out of a total of some Y30bn. four foreign banks — Citibank, Paribas, Swiss Bank Corpora-

tion, and Deutsche Bank—were owed some Y5bn (\$20m).

			Six months			like months
3M Industrial, electrical,			Revenue	. 1.She	l.3ba	
electronic products			Net profits	. 53.7m . 1.68	40.4m 1.00	
Second quarter	1984	1983	-			·
Revenue	1.96bn	\$ 1,766a	RALSTON PURINA			STANLEY WORKS
Net profits	193.0m	169.0m	Agricultural food pro	duels		
Net per share Six months	1.64	1.44	Third quarter	1983-84 1	982-63	Second Quarter
Revenue	3.83ba	3,48bn		\$ 1.11ba	\$ 1,14bn	Rovence
Net profits	365.0m 3.14	326.0m 2.77	Revenue	*36.6m	. 59.1m	Net profits
AMZRICAN BROADCA			Net per share	-0.42	18.0	Six months
Broadcasting and put			Reversio		3.620h	Het proffis
Second guarter	1934	1983	Net profits		195.8m 1,95	Net per store
·	\$	\$	Includes \$19.9m ctos			TEKTROWIX
Rovenue ,	854,1ca 72,4ca	754.9m 64.6m				Menantament pate
Net per share	2.49	2.20	REPUBLIC NEW YOR	<u></u>		Fourth questor
Siz months Revenue	1.69bn	1.42bn	Bank bolding compa	ay		
et profits	96.3m	78.5m	· Second quarter	1984	1983	Revenue
Not per share	3.30	2.88	•	\$	3	Net per share, ,
BELLSOUTH			Revenue	24.3m	21.2m	Year Revenue
ATAT spin-off compan	<u> </u>		Net per share		1.36	Het profits
Second quarter	1984	1983	Str months Revenue	_	_	Het per share,
Revenue,	\$ 2.3bn	•	Net profits	47.1m 2.79	40,4m 2,77	VF CORPORATION
let profits	298.0m 1.02	-	net per suare		B41 F	Ciothing, Lee Jean
Six months		_	SCOTT PAPER			Second quarter
levenue	4,6bn 568,4m	=	Paper products			Revenue
let per share	1.25	-	Second quarter	1984	1983	Het profits
1963 comparison not a			Revenue	5 637,2m	613.7m	čiz moniha
XUCYRUS-ERIE fechanical engineeris	net		Net profits		33m 0.72	Not profits
	1984	1983	Six months			Het per share
Second quarter	\$	\$	Net profits	1.255a 87.1m	1.18bn 52.1m	WEYERHAEUSER
leverate	102.8m 3.8m	151.4m 179.1m	Net per stare	1.78	1.13	Forest products
let per snare	0.19	13.87				Second quarter
Six months	210.8m	296.3m	A. E. STALEY MFG.			Revenue
let profits	7.9m 0.39	176.2m 13.73	Core wet milling			Net profits
Loss	3.33		Third quarter	1983-84 1 S	982-83 S	Not per shere
URLINGTON INDUSTR	IJES		Revenue	584m	423.6m	Revenue
extile products			Net profits	12.3m 0.43	1.2m 0.02	Net per shere
Third quarter 1	983-84 1					
evenue	S 816.2m	\$ 812.8m	i			
et profits	22.9m	30.0m 1.05				
let per share Nine months	0.80		[] [U.S.	. \$150	,000,000
levenue	2.42bn 85,0m	2.19bn 55.5m	===			•
let per share	2.96	1.95	III Kin	gdn	m	of Swed
ESSNA AIRCRAFT				.D	-41	
ight commercial airci	raft				8	
Third quarter 1	983-84 1	982-83			A TO	BE.
-	5	5	111		5000	9. 9
evenue .	17È &	119 7			OIL	23778
levenue , . ,	176.6m 52.7m	119.7m †6.9m	11	1	गुस्त्रका	<u> </u>

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Floating/Fixed Rate Bonds Due 1991

In accordance with the provisions of the Bonds, notice is hereby given that for the three months interest period from 24th July, 1984 to 24th October, 1984 the Bonds will carry an Interest Rate of 1214% per annum. The relevant Interest Payment Date will be 24th October, 1984. The Coupon amount per U.S. 55,000 will be U.S. 5156.53.

On 16th July, 1984 the Ten Year Weekly Treasury Rate was 13.46 per cent, per annum.

Morgan Guaranty Trust Company of New York Agent Bank



1983

\$ 389.7m 24.5m 0.68

1983

1984

854m 41.9m 1.17

1984

BRITISH AEROSPACE

BAe 125

CROWN ZELLERBACH Forest products

Bank 1

The Act

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\$97,125,000

Limited Recourse Fifteen Year Loan

for the debt portion of the leveraged leases of 10 BAe 146-200 Aircraft to be leased to

Pacific Southwest Airlines

MANAGED BY:

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

FUNDS PROVIDED BY:

MORGAN GUARANTY TRUST COMPANY OF NEW YORK INTERNATIONAL WESTMINSTER BANK PLC

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AGENT:

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

Goldman, Sachs & Co acted as financial advisor to British Aerospace Public Limited Company:

This announcement appears as a matter of record only:

June 1954

HOUSE TRAINED AUTOMATONS WILL BECOME A MAJOR INDUSTRY

Tame robots for the automated home

HALF a dozen or so small HALF a dozen or so small groups of maverick engineers in Britain and the U.S. are attempting to lay the foundations for what they believe will be by the end of the century a major industry in home robots. According to their advocates, these machines will be nothing like the lumbering industrial robots that have anneared in

increasing numbers on factory floors over the past decade. The home gadgets will be mail—no more than a metre tall. They will trundle around the home doing useful jobs such as cleaning the floor and acting

in at Swa

as security guards. Unlike the industrial versions. most of which are no more than computer-controlled mechanical arms, house-trained robots will receive signals from the outside world with sensors such as TV

cameras. The machines will steer around obstacles and, with their own inbuilt intelligence, react to unforeseen events. In this way, for example, the hardware could act as a domestic belp to a disabled person or make cats and dogs redundant by taking on the role of a household pet.
"You've seen the factory and

office automated—now it's the turn of people's houses," enthuses Mr Robert Sachs, vice president of Hubotics, a com-pany in Carlsbad, California, which sells a home robot called Hubot.

"Domestic robots are going to be a major industry—in 20 years every home will have one," says Mr John Reekie, managing director of Reekie London. Mr Reekle plans this autumn to introduce a home robot for what he considers the affordable price of £750. Most of the machines sold so far have been from U.S. manufacturers and have cost several thousand dollars.

devices now on sale is the Hero Junior, made by Heath Com-pany of St Joseph, Michigan, and introduced earlier this

The machine moves around a game called "Cowboys and anical arm adds a further \$1,495 Robots." In the latter, a person to the price). robot - if it hits a light-sensi-ducing BOB, short for Brains

Hero Junior is given its instructions from a home computer robots have concentrated on Reckie plans to sell in the —we are still trying to make (which the owner has to buy static devices which look like autumn will be about a metre the pre-Model T."



John Reekle, with (left) his creation, a mobile robot for trundling around the home. The larger device is a similar marzine for aperation inside hazardous places such as nuclear

separately). In some systems, the operator can stay in contact with the robot as it roams around, sending to it signals from his computer via either a radio or infrared link or by a length of wire.

Mr Mike Maushey, sales coordinator of Heath, insists that the machine will do useful jobs. It will act, for instance, as a home sentry, sensing the pres-ence of a person with an infrared detector. The machine will even ask an intruder to identify himself by saying a password. If the person says the wrong phrase, the robot

Mr Haughey hopes to sell "several thousand" Hero Juniors over the next year at \$1,199 each. His company has already sold over the past three years about 8,000 of an earlier device called the Hero-1.

According to industry estimates. Heath is responsible for more than half the home robots in the U.S. Other leading companies in the U.S. include RB Robot, of Golden, Colorado, and Androbot, of Sunnyvale, California.

RB Robots' products include tive sensor, the machine croaks on Board, which is described as a computer on wheels and Like most home robots, the will sell for \$4,000.

Efforts in Britain in home

robots. The gadgets are generally bought by schools and robots. colleges to teach students pro-gramming. They have few domestic applications. The machines normally have arms with several joints and can lift small loads.

Probably the world leader in this type of device is Colne Robotics, of Twickenham, which since it started in 1981 has sold 2,000 small robots, called Arm-droids, at £500 each. Half these machines, which are controlled by a desk-top microcomputer, have been exported.

Other UK companies that sell imilar machines are Powertran Cybernetics, of Andover, and L. W. Staines, a company in east London whose main business is as an engineering subcontractor.

L. W. Staines has sold about 15 of its £2,000 OGRE robots, which can lift 3 kg. Customers have included industrial concerns such as the UK Atomic Energy Authority and Philips. The latter have used the machines as lightweight ver-Mr Reekie of Reekie Research

is one of the main figures in the emerging UK home-robots industry. He set up Colne Robotics before leaving in March to found his new com- People expect robots to look pany. Reekie Research also like the machines in films such makes mobile robots for use outside the home, for example, in appointed when the hardware hazardous places such as is much less sophisticated. "We

miniature versions of industrial tall and will come in modules. The cheapest version will cost £150—this will buy a base with tracks, a microprocessor unit and a racking system in which to put optional boards of elec-tronic components that add intelligence.

Like most of the other home machines, Mr Reekie's device will run on batteries.

For £750, a purchaser will obtain a more sophisticated machine that contains extra electronic hardware. It will contain sensors for navigation and with a mechanical arm pick up loads of up to 1 kg—for example, the hardware could distribute drinks at parties.

Mr Reekle hopes to sell 3,000 machines in the first year—mainly to hobbyists who may add hardware and software that they have created themselves. "In a few years, we will see an enormous software industry in creating new programs to give robots different personalities." Universal Machine Intelli-

gence, of London, will sell early next year a home robot similar in price to the American models. Mr Geoffrey Henny, the managing director, hopes to sell 500-1,000 units in the first year mostly to the U.S. year, mostly to the U.S. He says that the home-robots industry is still in its infancy.

as "Star Wars" and are disnuclear reactors. are in the same stage as the
The home robot that Mr computer industry in the 1960s

Video image makes its impression on film

business relies solely on sprocketed film, their future must be in jeopardy. This is the message seen, heard and spoken throughout the media industries an inevitability in the evolution

Electronic image processes have arrived in the film industry—an indispensable tool of film laboratories, an additional medium for producers to employ, a new market for Wardour Street and Hollywood to exploit. Unfortunately many organisa-tions accepting the march of progress, albeit rather late in the day, still find difficulty in deciding how to embrace the new media.

The examples of groping in the dark range from cinema owners who have dabbled in electronics by opening video theatres, to public companies such as the Rank Organisation whose traditional film interests found strange and unsuccessful partnerships in TV set manufacture, industrial closed circuit television, even an early videoassette venture (EVR).

For Rank, now looking much more cohesive in its spread of interests, its successful video activity has evolved more naturally out of the film business. Thus the addition of videocassette duplicating and video post-production services was not such a huge leap from the profitable and well-regarded work of Rank Film Laboratories. Its Video Systems Division, now marketing video projectors, grows naturally from early experience with film pro-

Yet some transition developments which appear to be logical can involve technical and cultural leads which are 100 great to assimilate easily. In the early days of video, Wardour Street shunned medium-as did indeed the broadcasters; it was a product with high street connotations and involved a technology that seemed alien and inferior to both the cinema and broadcast television.

It is, of course, different now. But the struggle of Government to help the film industry face this new world has displayed similar difficulties in grappling with the conflicting cultures, video nowadays to produce couldn't and wouldn't wish to Thus, almost with disbellef, the regular employee reports on change." A familiar story.

IF THERE are any companies industry has at last been digest-left in the Western world whose ing the long-delayed White business relies solely on Paper on Film Policy published

tures that affect the film industry, forever lurking in its paragraphs is the spectre of video, cable and satellite. It is conceded that the electronic media now provide the biggest audience for films—that "the gap between films and television is being closed." But it offers no national policy to ease the plight of those who may get squeezed between the gap. As the hard commercial world has demonstrated well enough how difficult it is to cope with these changes, the non-commercial but culturally important elements

stranded.

Such spectres of change have been haunting even interna-

of the industry could be left

Video & Film

BY JOHN CHITTOCK

tional giants such as Kodak, as the company's sudden entry into video early this year indicated. For Kodak, the problem has not been simply a threat to its traditional motion picture business but also the risk that consumers would move away from still photography to home video

Another problem for Kodak,

the archetype of still photography materials, has been competition. Where once a roll of Kodachrome was the automatic choice Fuil has become a serious consideration Photographers, and recently the Consumers' Association, have given Fuji colour films a vote of confidence. Even more worrying for Kodak has been Fuji's Fire attracted fewer viewers productivity record—from 1977 to 1982 a growth of 13 per cent

ing by 5 per cent per annum, against Kodak's 12 per cent growth and employee numbers rising by 1 per cent per annum. Nonetheless Kodak has com-

video. Its latest, Focus on Kodak 84, gives an insight into how the company is tackling these challenges. Not only do I rate this as one of the best em-Although this flimsy White ployee video programmes I have seen (it comes over with frankness and intelligence) but Paper addresses itself mainly to financial and regulatory structhe feeling it generates also re-veals a real change of attitude at Kodak. No longer quite the paternal giant; the gloves—it

> Rationalisation is the key word, as indeed has been the leit motif at Rank. Yet rational-isation can involve an element of investment, as typified by Rank's announcement last week that the Group has bright Phicom's 50 per cent increst in the Rank Phicom Video Group. This does make sense ---Phicom had no experience of this business, Rank Phicom has been trimming its sails very successfully lately, and the activity slots neatly into Rank's existing film and television

not the knives—are now on the

activities, Meanwhile, however, world's biggest user of film—the BBC—has yet to make that cultural leap into video, even though half of the Corporation's customers (viz. viewers) will own VCRs within the next two or three years. BBC Enterprises last week unveiled its annual results and despite a record turnover of £31.5m, video sales

contributed less than £1m. There is a real possibility that the broadcasters could soon face upheavals as traumatic as those experienced by the film indus-try—and for the same reasons. Wardour Street suffered first through leaving it to the Americans to cater for international markets, quickly discovering that the UK market could not support an indigenous industry. And then from video which diverted people away from the

The same pattern may be emerging from the broadcasters. BBC's screening of Chariots of than Coronation Street and This is Your Life, due-it is —to the earlier release of the film on video. And when questioned last week about the BBC's need to produce for international viewers, Mr Bill Cotton Nonetheless Kodak has com-said "we make programmes for mitted itself fully enough to the UK market and that we

FORTUNE SYSTEMS To stay ahead we think ahead

Market leaders in micro technology 01-741 5111

Aerospace

Curing composites

ENGINEERS at McDonnell Douglas in the U.S. have developed ways to automate the curing process for aircraft parts which are made from composite materials.

It is part of a U.S. Airforce companies millions of dollars over the next two decades by lowering the cost but increasing the quality of composite

Improvements can be made by computerising the control of time, temperature and pres-sure of the curing process. These factors are critical to the strength of the part. Computers could more closely control the energy expended during curing which has a direct effect on cost. More details from the company on 04862 7131L

Telecoms

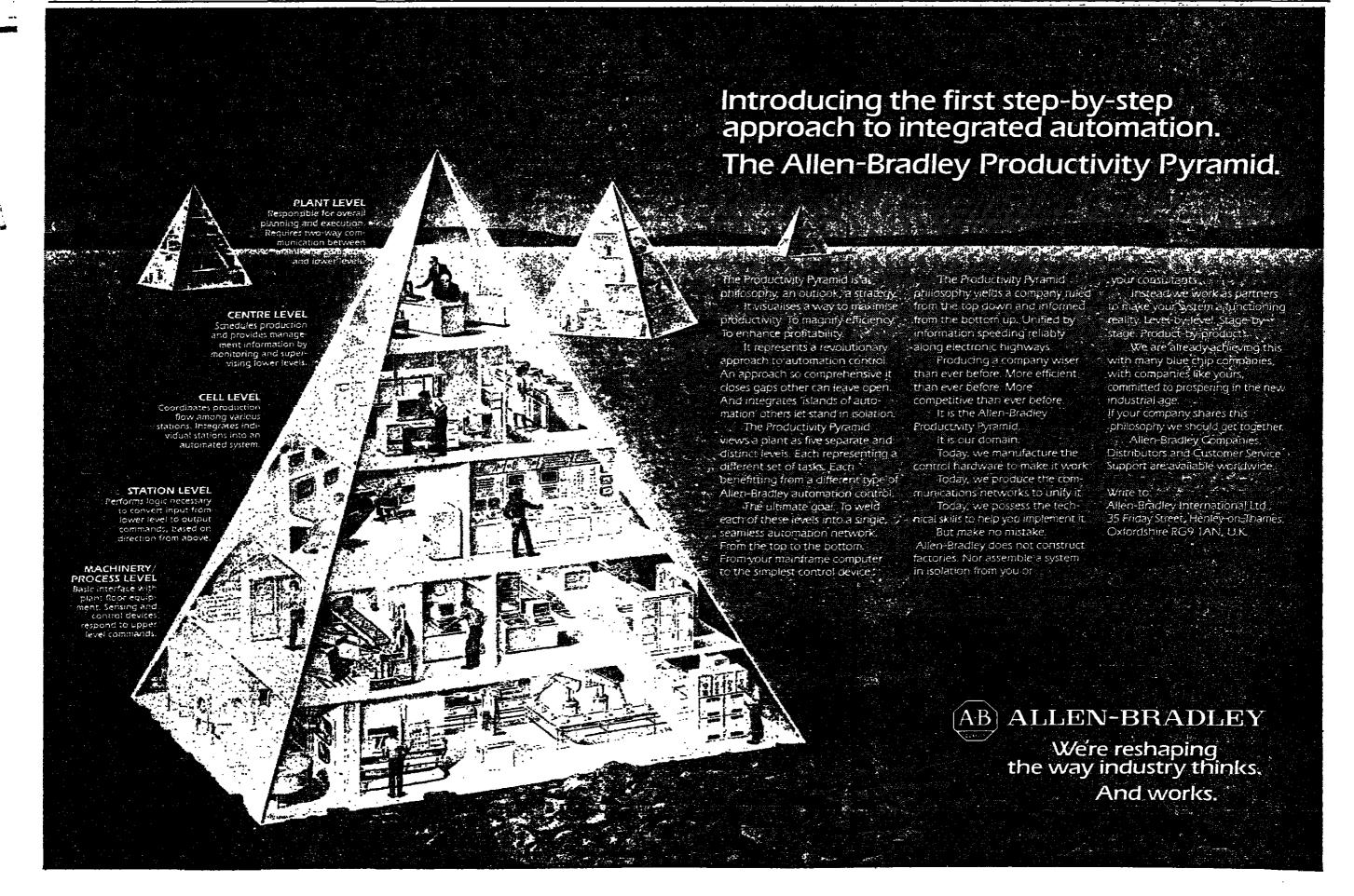
Microwave transmitters

RACAL MILGO of Hook, Hampshire, says it has a cost-effective solution to the problem of linking sites in rural areas or in developing cities where there is a lack of telephone line

The company offers a pair of microwave transmitter/ receivers working in line-of-sight mode at a maximum range of 10 km, extendable to 50 km with repeaters.

Operation is in the 21-23 GHz band, well away from most other users in the radio spectrum. Low power output and narrow beamoutput and narrow width minimise unwanted radiation and the system has sophisticated error correc-tion to give a reliable data path under difficult weather conditions.

The system is available in two capacities: 19,200 bits/ second and 2.048 megabits/



Security Centres jumps to £4.5m

INCLUDING 12 months figures for the U.S. subsidiary Scusa, pre-tax profits at Security Centres Holdings moved sharply ahead from £1.34m to £4.5m for the year to the end of March 1984. Turnover of this security services group expanded from £6.51m to £20.64m.

The net final dividend has

been lifted from 1.1p to 1.4p which raises the total from 1.85p to 2.3p. Earnings per 10p share are shown as rising from 10.21p

The directors say that Scusa has performed to expectations and continued progress is expected in the current year.

At the halfway stage, group pre-tax profits were up from stage profits were up from recurring revenue based businesses and development is satisfactory and development to continue to concentrate on the creation or development of further recurring revenue based businesses and development is satisfactory.

Commenting on the period under review they say that strong cash flow has allowed Scusa to make significant acquisitions of rental contracts during the year. These contracts will contribute to earnings in the current year. in the current year.

Overall, group performance forecast levels.

Lex looks at Tate and Lyle's bold £305m offer for Brooke Bond and considers whether it makes commercial sense. The column then moyes on to examine the halftime figures from Nottingham Manufacturing and decides whether the performance justifies the poor relative showing by the shares over the past 18 months or so. Finally Lex reviews the implications of vesterday's general shake-out in the financial markets with particular reference to the oil sector. Elsewhere in the bids scene the well signposted bid for Healys duly emerged from the Ashcroft/Wickins stable.

and development is satisfactory

Scusa contributed f1.08m.

The directors point out that Scusa's profits derive largely from its recurring revenue base — currently over \$20m per annum — which arises from the rental and monitoring of alarm systems.

Commention previous year reflecting the initial cost of building up the recurring revenue base along U.S. lines. Changes made are expected to produce improved profits and cash flow in future

Towards the end of the finan-cial year, three companies in the Republic of Ireland were acquired. First quarter performance indicates they are achieving

The Middle East joint venture. Defence and Security Intnl., started in March. Initial started responses are "very encouraging" and ahead of expectations. Substantial contributions are ex-pected in the future although no contribution budgeted for in the current year.

At the operating level group profits moved ahead from £1.37m to £4.31m. There was an extra-ordinary profit before minority interests this time of £198,000, and lower associate losses of

Around two-thirds—or £3m—of emerge with specific proposals Security Centres' taxable profits before the end of August, says come from the new Scusa the group. At 255p, down 5p. businesses. There are no com- the shares yield 1.3 per cent on parable figures, but it looks as a multiple of 15.

strongly thanks to its policy buying up small subscriber contracts and achieving economies of scale by running economies of scale by running them through its central monitoring station. In some cases, up to 70 per cent of the recurring revenue acquired in this way can drop through to the bottom line, although the group average is more like 45 per cent gross. UK profits were roughly statio and margins. roughly static and margius suffered as management time was diverted to reorganising a businesses on the central U.S. number of disparate servicing pattern. Further ahead, the group, which now has no borrow-ings following the Scusa flotation, hopes repeat a similar exercise in a new market. The plan is to build up recurring revenue from monitoring and services from its present 64 per cent of group turnover (35 per cent before its entry into the U.S.) to around 75 per cent, both via acquisition and equipment sales. The bidder, announced following a takeover leak last month, is unlikely to

Nottingham Mnfg. up to £7.2m at midway

MANSFIELD BASED textiles group, Nottingham Manufactur-ing Company, raised pre-tax pro-fits from £6.85m to £7.18m for the first six months of 1984. Turnover increased by £8.22m to £98.7m.

The group points out that turn-over and profits for the first half of the year are normally, due to seasonal factors, less than those for the second six months.

In the last full year, taxable profits advanced from £21.29m to a record £24.56m. on turnover of £230.69m (£214.37m). In his 1983 chairman's statement with accounts, Mr H. A. S. Dianogly said that although market con-ditions continued to be difficult, sales to date in 1984 were ahead of the corresponding period last

year.

Opportunities for growth of business existed both organically and by acquisition, he added, and, with the resources available to the group, it was hoped to report a year of further progress. After a higher six months tax charge of £2.37m, against £2.06m, mid-year earnings per 25p share were unchanged at 6p. The net interim dividend is however, stepped up from 1.35p to 1.45p — last year, a total of 6p was -last year, a total of 6p was

paid.

Half-year trading profits
dropped from £3.9m to £3.62m
and the increase at the pre-tax
level reflected a £0.6m rise in investment income to £3.56m. Net profits came out little changed at £4.81m, against £4.8m.
The group's activities comprise
the manufacture of hosiery, knit-

wear, outerwear, leisurewear and tufted carpets; dyeing and finish-ing, warp and weft knitting, con-version of man-made fibres, semi-worsted and woollen spinning, precision engineering and leasing of assets to third parties.

First half 1984 1983 £000 £000

Amalgamated Foods

Amalgamated Foods, independent food wholesaler, swung round from losses of £565,000 to

round from losses of £555,000 to profits of £315,000 in the 52 weeks to April 28 1984. Sales held up at £221.64m, against £220.31m for the previous 53 weeks.

At the trading level, profits were little changed at £2.57m (£2.62m). Interest charges and exceptional debits however. fell to £2.07m (£2.65m) and to £180,000 (£540,000) respectively. In the current year, the company's rationalisation policy will be completed with the closure of a small cash and carry warehouse. A further 200 accounts were closed in the course of the 1983-84 year, making 700 since 1983-84 year, making 700 since paid for apples in the the company's independence. of the season.

Allied Textile sustains progress in second half Pre-tax profits for 1982-83 moved shead from 23.19 to £2.5m although turnover slipped from £27.77m to £26.06m exclud-

PRE-TAX profits of Allied Textile Companies improved from £1.49m to £1.6m for the opening six months to March 31, 1984. Turnover increased by £2.16m to £15.19m.
Turnover of the textile busi-

nesses yielded profits of £1.23m, compared with £0.89m. In their interim report the directors say business here is being sustained

business here is being sistained although production in the second six months will be diminished by spring and summer holidays.

The value of financial investments continues to appreciate and the overall result (unrealised gains on financial investments rose from £1.04m to £1.42m in the year to end-March) £1.42m in the year to end-March) is described as "satisfactory."

Investment management decisions will determine whether gains should be realised and credited to the group's profit and loss account prior to end-September 1984.

share.
Tax for the half year was little changed at £761,000, against a previous £777,000.
In his last statement Mr C. R.



Mr C. Russell Smith chairof Allied Textile

Smith, the chairman, said that September 1984.

The group's established accounting policy prescribes that part of these unrealised gains be included in profits.

The net interim dividend is maintained at 2.82p from earnings of 10.21p (8.7p) per 25p share.

Tax for the half year was little changed at 1761,000, against a previous £777,000.

To bis last statement Mr C. R.

ompany trading comment The last Budget made Aliled Textile an especially hard share

The last Budget made Alinea Textile an especially hard share to value. For the full year, pre-tax profits from textiles proper should be over the £2\text{im} mark, but there is no saying how much the group will take in realised investment profits. Normal investment criteria apart, there are obvious attractions to leaving cash in non-interest bearing roll-up funds for another year or two until the corporation tax rate is lower. More generally, the tax charge will surely rise this year, given the group's heavy involvement in leasing in the past. But the textile tide, from which halifed had shown signs of withdrawing, is experiencing a revival—based as much as anything else on the weakness of sterling—and orders are strong into the next financial year. At 287p—up 2p—the group is capitalised at around £23\text{im} near equivalent in the balance sheet. The implied £6m valuation of the textile business is plainly absurdly low; but this has been a feature of the share price for some years.

Equipu accelerates by 64% to £876,000

FURTHER PROGRESS through the second six months and acquisition benefits enabled the coming years.

Equipu to push its profits before tax up to £575,840 for the full year to April 30 1934 an improvement of 64 per cent over the previous year's £543,471.

From earnings of 14.13p "should continue."

From earnings of 14.13p (12.27p) the final dividend is being lifted from 2.27p for sales were good and the stems to for a platform for expanding the group's small business computer division.

Equipu Datalink, will be used for a platform for expanding the group's small business computer division, photocopiers, which is moving ahead in a difficult market. But the market marked Equipu's computer division which has been the form platform for expanding the group's small business computer division.

Equipu Datalink, will be used for a platform for expanding the group's small business computer division.

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Equipu Datalink, will be used for a platform for expanding the group's small business computer with the biggest division.

Equipu Datalink, will be used for a platform for expanding the provide platform for expandin

being lifted from 2.2p to 2.7p for a net total 0.8p higher at 4p per

machines should ensure continued growth in meterage in the coming years.

Equipu Datalink, will be used and businesses relocating from for a platform for expanding the London. The launch of a new group's small business computer range has improved the position

eing lifted from 2.2p to 2.7p for sales were good and the steps net total 0.6p higher at 4p per taken to correct the pressure on margins last year have been group turnover for the 12 successful.

In the general business division decisive move from the £400,000 ales were good and the steps to £600,000 pre-tax profit level,

Datalink, a loss-maker already where it has languished since turned into profit, which brought 1979, with a 5p increase in the with it an IBM sales agency, shares to 135p. On a better day Equipu has made two small Group turnover for the 12 successful.

Shares to 135p. On a better day it might have done more, since acquisitions since the year-end and is likely to complete one or a historic p/e of only 9.5. This is these levels Equipu trades on a historic p/e of only 9.5. This is these levels Equipu trades on a historic p/e of only 9.5. This is very low given the company's future. These should fit neatly increase the group's base by 26 per cent and the meterage contracts associated with these.

The company, now trading as shares to 135p. On a better day it might have done more, since at these levels Equipu trades on a historic p/e of only 9.5. This is very low given the company's future. These should fit neatly into the group—expanding both the range of products sold and and the South-West, an area favoured by "hi-tech" companies

Mixed results from Britannic Assurance

declined over the period in both

Gilbert Platon, reported growth in turnover,

productivity and profit, with rates of increase

He he also told shareholders at the AGM of

that are the best achieved for many years.

several new exciting opportunities which

continued growth. Among these were the

prototype improved Flostat Irrigation

Controller, the first batch of Stagg Digital

Gapmeters, in hand for completion in October, and the recently approved second generation

underpin his confidence in the Company's

-Platon International plc-

the ordinary and industrial the above figures, and the decline business in the first six months 3 per cent up from £9.4m to branches, but single premium came from life business.

of this year is reported by £9.7m, business was buoyant during tile In the industrial branch, new United Kingdom Provident Insti-In the industrial branch, new annual premiums fell nearly 10 being due entirely to the loss of premium relief affecting the premiums class year's results were in the industrial branch, new annual premiums from £12.68m to £12.56m—the fall rose nearly 30 per cent from £19.4m to £25.1m, while single premium relief affecting the premiums climbed more than 70 per cent from £35.5m to £61m.

However, last year's results were second quarter results. Second quarter resul

Britannic Assurance experions to have had little impact—this enced somewhat mixed results on its new life and pensions for 1982.

The company experienced a 50 business during the first half of this year. New annual premiums on the unit-liked operations rose fourfold over the period from £425,000 to the leak of the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of premium relief, virtually finished over the period from £425,000 to the loss of th experi- to have had little impact—this from £210,000 to £219,000, but cent ahead of the Budget, boosted per cent rise in sales of self-employed pensions, included in Record new life and pensions business over the half-year were

> The growth in annual premium business came mainly from pensions, with a 53 per cent rise from £10m to £15.3m. The company's new money purchase group pension scheme and its AVC scheme saw graup pension premiums triple from £3m to

Single premium life business nearly doubled over the period from £22m to £42.4m, thanks to the success of the income plan sales ahead of the Budget. Successive future growth of the company's independence. In the current year, approved to a healthy consolidated sales capital expenditure amounts to the success of the income plan base from which to develop the sales ahead of the Budget.

Merrydown 89% ahead at £0.9m

Merrydown Wine, the Sussex wine and cider maker, made further real progress through the second six months and achieved record results for the full year

record results for the full year to March 31, 1984.

On the back of a 26.9 per cent rise in turnover to £8.15m profits at the pre-tax level fully maintained the momentum of the pre-vious year and surged by 88.5 per cent to £937.223.

Mr Ian Howie, chairman, says the results, in conjunction with last summer's highly successful £1.01m rights issue, have trans-

£1.01m rights issue, have trans-formed the balance sheet. A final dividend of 5p net per 25p share makes a total of 6p on the enlarged share capital last year the group paid a single dividend of 5p. A scrip issue on a one-for-eight basis is also pro-

posed.
Interim dividends were intro-

uprating and addition to plant and machinery. Seven acres of freehold land on the same estate as the warehouse acquired in 1982 have also been purchased. Despite the "savage" 47 per cent increase in cider excise duty in the March Budget, shareholders are told that June quarter sales topped £100,000 and showed a satisfactory advance over those of 1983. July volume is continuing this trend.

The chairman says that Merrydown has consistently outuprating and addition to plant expected.

own has consistently outperformed the market with sales concentrated in the premium sector. He believes the group will make further progress in time. Merrydown contry time. Merrydown country wines made a "modest " overall advance due mainly to the growth in sales of 1066, the recently introduced sparkling Elderflower wine.

terms of sales and market share.
Apple barvest rospects look
"reasonably encouraging" after
the "June drop" and a further
increase in throughput is

Scope for further development has resulted from the acquisition of Merrydown's sole Scottish agent, Peter Thomson, by Stakis. During the past year export sales exceeded £500.000 for the first time. Merrydown Country

DIVIDENDS ANNOUNCED Date Corre Total of sponding for sayment div. year Abbey Panelsint. 0.75 AB Engineering nil Allied Textileint. 2.82 Consultants Cmptr.‡ int. 0.1 Oct 2, 0.13|| Equiput G. F. Lovell Merrydown Wine; 5 Norhain Electronics 1; Nottingham Ming 145 Security Centres 0.88 River & Mercantile int. 1.5 Dec 3 1.35 Oct 8 Oct 2 Oct 1

River & Mercantile int. 1.5 Oct 1 1.4 — 4.4
Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue, † On capital increased by rights and/or acquisition issues.

‡ Unquoted stock. † For 17 months. || Adjusted for number of the property is the contract of the con shares now in issue.

COMPANY NEWS IN BRIEF

"Opportunities for continued company growth" G. A. Platon, Chairman Commenting on the 1984 results, Chairman, Test Gapmeters for sprinkler fire pumps. To support the new electronic products negotiations are well advanced for the

> manufacture of electronic equipment for communications and instrumentation. He concluded: "With an order book that has further improved in the first quarter and with new products to be launched. the coming year can be faced with every confidence."

acquisition of a profitable private company

specialising in the development and

RESULTS IN BRIEF	Year ended 31st March 1984 1983
Turnover	£3,121,290 £2,273,047
Profit before tax	£394,352 £208,195
Net Dividends paid	£17,600 £17,600
Earnings per share	9.2 p 4.9p

Copies of the Report and Accounts can be obtained from the Secretary at Platon International plc, Wella Road, Basingstoke, Hants.

Platon International plc

Design manufacture and supply of a wide range

The Nottingham Manufacturing **Company PLC**

INTERIM REPORT FOR THE SIX MONTHS ENDED 30TH JUNE 1984

Group results (unaudited) for the six months ended 30th June 1984 are as follows:-

			• • • • • • • • • • • • • • • • • • • •
	6 months 1984 £000	6 months 1983 2000	Year 1983 £000
Turnover	98,703	90,488	230,687
Trading Profit Investment Income	3,621 3,558	3,895 2,958	17,323 7,240
Profit before Taxation	<u>7,</u> 179	6,853	24,563
Profit after Taxation	4,810	4,797	19,665
Dìvide nds (p per share)	1,162 1,45p	1,079 1.35p	4,951 6.2p
Earnings per Share	6.0p	6.0p	24.6p

The Interim Dividend will be paid on 3rd December 1984 to shareholders on the register at the close of business on 2nd November 1984.

Turnover and profit for the first six months of the year are normally, due to seasonal factors, less than those of the second six months.

Caledonian Offshore, a speciinterim report that profit before alist in oil and gas exploration in the U.S. and offshore UK, reduced losses from £981,000 to £798,000 in the year to June 30 tax should show a substantial increase over 1982-83. Climatic conditions in North India are variable, with the

1984. There was again no tax. Revenues from oil and gas sales jumped from £42,000 to £251,000 and interest receivable rose to £105,000 (£53,000), while other income added £18,000 other inc (£37,000). Losses were struck after administrative costs of £160,000 (£76,000), UK exploration costs written off £719,000 (£925,000),

interest payable £103,000 (£70,000) and depletion, depreciation and amortisation totalling £190,000 (£42,000).

mentary asset structures, During the year £46,500 of 4 per cent convertible unsecured loan stock 2000 was converted into 25,830 ordinary £1 shares. The directors will shortly be issuing a notice to loan stock holders to require them to convert their outsanding loan stock.

Pre-tax losses of G. F. Lovell, a subsidiary of Kirby & West, reached £38,000 for the 17 months to March 31, 1984, against £19,000 for the previous year. Turnover of this confectionery maker amounted to £4.49m, compared with £3 lm pared with £3.1m.

pared with 23.1m.

Earnings per 25p share were 0.5p (2.2p losses) and the dividend for the 17 months period is 3p net, against 2p in the previous 12 months—Kirby & West is to waive the payment on its 723,885 ordinary shares (76.6 per cent of equity).
There was a tax credit of £46,000 (£1.000 charge) and also an extraordinary credit of £13,000

Pre-tax profits of Abbey Panels Investments improved from a depressed £123,590 to £298,943 over the six months ended March 31 1984 and the company is resuming dividends after a lapse of two years with an interim of 0.75p net.

Although the directors are hopeful the improvement will continue they say they are not over-optimistic as the markets the group serves remain "fickle" and competition continues to be

Sales for the first half market.

expanded from £3.73m to £4.25m

the group has interests in the Jeffers

monsoon rains earlier than usual. Drought conditions in parts of East Africa have adversely affected the crop but overall it is again the highest

made to date.
The Indian Government lifted its ban on the export of CTC Tea on May 12, but some 16,000 chests of London auction and forward contract teas were detained and had to be sold It is difficult to forecast tea prospects for 1984-85, they say,

In order to fund future activities, the company is investigation the possibility of acquiring other companies with complementary asset structures. normal climatic conditions pre-vail the trading profit should be in line with that of 1983-84. The English company should also be earning a satisfactory Pre-tax profits of £66,877 have been produced in the second half at Harold Ingram for the year to the end of April 1984,

> More company news in brief Page 20

which eliminated first half losses and left profits up from £2,799 to £33,630. Mr Harold Ingram, chairman,

expects profits to improve sub-stantially and enable the pay-ment of a dividend at the next half-year stage. Sales of this maker of knitted garments improved from £3.79m to £4.17m. The company has closed all small retail accounts and only manufactures for a few major customers, the two largest of which are British Home Stores and Littlewoods.

Systems Designers International has received acceptances for all but 0.9 per cent of the 3.02m shares it offered on a one-for-four basis at 335p per share by way of rights, principally vendor consideration shares allotted in connection shares allotted in connection with the acquisition of Systems

Net sales for the secon Net sales for the second quarter rose by 22 per cent from \$144.99m to \$176.34m, making the halfway total \$338.23m (\$293.1m)—a 15 per cent rise.

Net income reached \$10.62m (\$4.21m), with \$6.06m (\$0.38m) coming in the second quarter. Earnings during the six months reflected the strong market con-

reflected the strong market con-ditions prevalent in the period. Unifier Holdings, the furniture make which proposes to change its name to Hunter, has had 92.2

per cent of its one-for-one rights issue of 2.43m shares at 45p taken up with the balance being sold in the market at a net surplus of private food conglomerate, Hills-down Holdings, has an 80.8 per cent stake in Unifiex. Synterials, the Dutch-based

technology company which came to the USM last December, made a pre-tax loss of £380,000 in the 13 weeks to March 31, 1984, after charging interest of £381,000.

Tax charge was £165,000, leaving the attributable loss at £525,000. Loss per 10p share was 2.11p.

As at March 31, 1984, the company had a net cash balance £15.51m, equivalent to 62.28p p

Group pre-tax profit at Robert son Research was £1.82m for th year to March 31 1984, compare with £1.1m, and beating the fore cast of not less than £1.7m the offer for sale, completed la

March. Turnover rose to £15.781
(£14.96m). After tax an minority interests but beforextraordinary income, the ne profit was up from £765,000 t \$1.12m. Earnings per share we 10.2p compared with 9.1p inc The company is 51 per cent 10.2p compared with 9.1p ind held by Wasskon Establishment, cated in the offer and 7.1p for the previous year.

As stated in the offer, the directors do not intend to recommend to recommen

mend a final dividend.

An interim dividend of 1p p share net has already been paid It is intended that an interior in respect of the current year will be declared in December for payment early in 1985.

PUBLIC LIMITED COMPANY HALF-YEARLY STATEMENT

Britannic Assurance

The premium income and new business figures for the half- year ended 30th June 1984 were as follows (the figures for the six months to 30th June 1983 are shown in brackets)		
Premium Income		
Life Business	£	₹ :
Ordinary Branch	14,479,888	(12,692,000)
Industrial Branch	44,703,608	(41,682,000)
Unit Linked Business	1,719,000	(425,009)
General Business	8,137,000	(7,608,000)
New Business Figures		·
Ordinary Branch		•
Renewal premiums per annum Single premiums and annuity	3,714,000	(4,114,000)
considerations	219,000	(210,000)
Sums Assured	116,805,000	(139,407,000)
Annuities per annum	1,223,000	(782,000)
Industrial Branch		• •
Renewal premiums per annum	12,565,000	(12,676,000)
Soms Assured Unit Linked Business	216,663,990	(226,503,000)

BASE LENDING RATES

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(425,000)

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of	Henry Anshacher 12 0% Kinggnowth Toward Tay 10 0
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	Associates Cap. Corp. 12 % Lloyds Bank 12 % Banco de Bilbao 12 % Mallinhail Limited 12 %
rt.	Bank Hapoalim BM 12 % Edward Manson & Co. 13 %
	Bank Hapoalim BM 12 % Edward Manson & Co. 13 % BCCI 12 % Meghraj and Sons Ltd. 12 % Rank of Ireland 12 %
he	BCCI
ed	Bank of Cyprus 12 % Morgan Grenfell 12 %
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	Banque Beige Ltd 12 % National Westminster 12 %
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iet	Brown Shipley 12 % P. S. Refson & Co 12 %
to	Brown Shipley 12 % P. S. Reison & Co 12 % CL Bank Nederland 12 % Roxburghe Guarantee 121% Canada Permn't Trust 12 % Royal Trust Co. Canada 12 %.
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OF	Co-operative Bank *12 % Williams & Glyn's 12 %
	Co-operative Bank*12 % Williams & Glyn's12 % Williams & Glyn's12 % Wintrust Sees. Ltd 12 %
	Dunbar & Co. Ltd 12 % Yorkshire Bank 12 %
_	Dungan Lauria 10 0
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w,	First Nat. Secs. Ltd 10 % 10.75% £10,000. 12 months 17%.
m	Robert Fleming & Co. 12 % 7 day deposits on aums of under
ax	Robert Fraser 12: £10,000 \$1.0. £10,000 up to £50,000
to	Grandlays Bank
fit	Robert Fraser 12: 110,000 8%; F10,000 up to f50,000 Grindlays Bank 112 g 50,000 and over 51,000 9,%; Hambros Bank 12 g 50 bamend deposits 8.%;
)ì.	Hambros Bank 12 of Damand deposits over £1,000 %%. Heritable & Gen Trust 12 % Marrane has see
	Heritable & Gen. Trust 12 % 1 Morrosco hase rete
60	Heritable & Gen. Trust 12 % Mortgage base rate.

AB Engineering £0.26m in the red and final omitted

expected, substantial

Hallof Mich

As expected, substantial extraordinary provisions have been made, amounting to 5756,000 (E112,000). These were mainly related to the cessation of marine diesel manufacture. of marine diesel manufacture.

At the interim stage, in December, when reporting a slight rise in profits to £394,000 (£380,000), Mr A. R. Belch, the chairman, warned that the cancellation of an export contract, together with uncertainties and delays in other export markets, meant that the company was unlikely to achieve the same pre-tax profit in the second half as in the first.

Four months later, he Operating profits for the 1853-84 year declined from 1853-84 year declined

FOLLOWING THE chairman's warning in April of a small loss for the 12 months ended March 31 1984. Associated British second half. A number of Engineering turned in a pre-tax deficit of £258,000 for the period, as against £1.02m profits before. There is no final dividend and the interim of 0.358p net therefore compares with the previous year's total payout of 0.65p per 12}p share. Losses per share were 1.74p, compared with \$.15p earnings.

loss in the second half, but the board anticipated a return to profit in the current year. Operating profits for the 1983-84 year declined from £1.68m to £411,000. These were split as to:—distribution £317,000 (£518,000), electrical £114,000 (£502,000) and engineering £20,000 loss (£361,000 profit).

Consultants Computer in loss: interim payout cut

Consultants (Computer & meuted to prevent similar problems occurring.

the red for the first half of 1984 and although the company financial services sector has 1984 and although the company financial services sector has is expected to return to the entered a period of uncertainty black in the second half, the interim dividend is effectively taking place, particularly in being reduced from 0.18p to a stockbroking the group's prime 0.1p in view of the full year area of business.

expectation.

The "disappointing" halfyear results (profits of £199,535
were made before) were attributable to installation difficulties in Hong Kong and their knock on

diverted to their solution. Some areas of corporate policy have now been reviewed and

TODAY	0
Intering:—Barlow Holdings, Britannic Assurance, C.S.C. Investment Trust,	٧
Derby Trust, Lada Investment Trust,	A
Updown Investment, Willoughby's	В
Consolidated. Finala:—AAH, John Brown, F & C	M
Eurotrust, Kenyon Securities, Muniord and White, Singlo.	P
PUTURE DATES	R

They point out that this has had a delaying effect on data processing decisions under consideration by prospective

effect and market conditions.

The difficulties in Hong Kong, referred to by the directors in May, were of a technical nature and considerable resources were ment drive has also begun. Positive results are expected to me areas of corporate policy emerge from these moves in now been reviewed and 1985. The group's shares are necessary changes imple-traded on the USM.

BOARD MEETINGS

ic	Ocean Transport and Trading Aug. 1 VG Instruments
11.	Finals:— Ailse Investment Trust July 30
5	Black (Pater) Aug. 2
_	Mid Wynd International
C	Investment Trust Aug. 10 Park Food July 30
•	R.E.A. July 26
	Radiant Metal Finishing July 26
	Restmor Aug. 14 Trent Holdings
4	Wagon Industrial July 27
7	Watsham's July 26

Alexander Nicoll looks at Midepsa's bid for Henlys

£17m approach gets cool reception

Henlys, a leading BL distributor, reacted coolly yesterday to a \$120p per share bid and, when this offer was rejected, saying the bid from an investment this offer was rejected, saying the bid from an investment this offer was rejected, saying the bid from an investment this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected, saying the presence of two as 120p per share bid and, when this offer was rejected saying the presence of two as 120p per share bid and, when the half-year ended March Nissan cars.

In the half-year ended March Nissan cars.

In the half-y unexpected difficulties had arisen, particularly in the last four months. These largely related to losses at British Pelar Engines due to cessation of marine diesel manufacture, and also to a substantial fall in export sales elsewhere in the group—arising in certain cases from special circumstances.

These had caused a significant loss in the second half, but the board anticipated a return to a bid has to be higher than 120m. a bid has to be higher than 120p to get a recommendation from Henlys' board."

He also wanted more information on the Hawley/BCA plans for Henlys' future.

The response of the Bank of Scotland, which holds a 29.6 percent stake in Henlys, will be crucial. Mr E. R. Hazelburst, Henlys deputy chairman and the Bank of Scotland representative on the board, made no comment on the hid yesterday but has previously said Bank of Scotland would support a bid made to all shareholders if it had the support of the Henlys board. He also wanted more informa-

of the Henlys board.
Yesterday's bid followed months of manoeuvring among Henlys' shareholders. In June, the Hawley Group challenged Henlys and the Bank of Scotland

Henlys, advised by Hill Samuel, rejected this view, saying the presence of two major shareholders would saying the presence of two
major shareholders would
inhibit potential buyers of a
minority holding. The right
level for a bid for the whole
company, it argued, should be
judged on different criteria.
In particular, Henlys has
promised a property revaluation
which is expected to produce
net assets per share substantially above the bid price. tially above the bid price. Henlys will also argue that it is being rapidly turned round after four years of losses.

Under Mr Dowling, Henlys stream." has been selling off unprofitable subsidiaries and has reorganised its management structure.
Although principally a BL
dealer, it also distributes

stakes in a variety of British and North American companies, Midepsa will own all of Coleman

mole be floated off once profitable, or combined with other Midepsa interests if they were suitable.

has Once various share transion actions are completed, Hawley and BCA will own will own some 40 per cent of mediate and BCA will own actions but that Hawley and BCA will own actions that were mot mainstream."

Hawley and BCA both actions to work and actions, but that Hawley and BCA will own will own actions, but that Hawley and BCA will own were barred from selling the Midepsa shares for three years under an agreement with the Quebec Securities Commission Midepsa's share will own stream."

Stream."

Hawley and BCA both suffered City criticism because their frequent share dealings—in companies such as the Miss World Group and Pineapple Dance

Mindepas's Share capital has been approached with the party concerned."

Expanded with the party concerned."

The group pointed out that following speculation in the board was not permitted to make information available to one shareholder which was not a shareholder of less than 5 per available to all.

Finlan advisers to issue new circular in bid for Lincroft

The Arab Banking Corporation, advisers to John Finlan, the building and development company chairmed by Mr Graham Ferguson Lacey, was last night preparing to issue a new circular to shareholders in Finlan's battle for control of Lincroft Kitgour. Kilgour.

The move follows representa-tions of the Panel on Takeover and Mergers by Lincroft Kilgour, the cloth merchanting and menswear manufacturing concern, which complained about Finlan's last bid document.

Mr Tony Holland, chairman of Lincroft, complained that in a graph "purporting to compare" the two companies' profits before to reject the offer.

tax records "they have used the pre-tax profits of Finlan but the post-tax profits of Lineroft."

Mr Peter Earl of Arab Banking Corporation said yesterday that "it was a genuine mistake which we would not have made in the first place had we known. But it does not after our conclusions which we made in the sions which we made in the Mr Holland said yesterday that Lincroft Kilgour directors would not he accepting the Finlan bid of 25 of its shares for 41 Lincroft shares in respect of their own beneficial holdings representing some 16.4 per cent of the company's issued share capital. He urged shareholders

Cullens to enter talks

Cullens Stores, the grocer and cent of the ordinary shares of wines and spirits merchant, said the company, "who stated that yesterday that it intended to acquire addiyesterday that it intended to yesterday that it intended to nee intended to acquire additional shares but wished to meet with the board for a discussion prior to doing so. The shareholder also requested board with the party concerned." another party which may or may no lead to "a closer association with the party concerned."

BIDS AND DEALS IN BRIEF

The de-merger of Bowater's purchased Grovewood shares. UK and U.S. interests was completed yesterday and dealings in Bowater Industries will begin in the UK today. London dealings will also begin in the common stock of Bowater Inc, already listed on the New York Stock Exchange.

purchased Grovewood shares.

Mr Sandy Saunders he resigned as chairman of France industries. His departure to effect last Thursday and follow a heated, but abortive, takeover attempt by Mr David Abell Suter group.

A director of Priest Marians Holdings, once a giftware com-pany which now owns the property in Tonbridge on which its factory was sited, is bidding for shares other than the 44.94 per cent he and associates already

Exchange.

Mr Simon Fussell, the bidder, plans to keep the listing. He is offering 450p in cash for each ordinary share and 60p for each preference share, valuing the company at £726,773. The chairman, Mr M. U. Rosenbaum, is recommending acceptance of the

Grovewood Securities purchased 100,000 new ordinary shares in Marshalls Universal on July 20 and 99,000 new ordinary

Mr Sandy Saunders has resigned as chairman of Francis Industries. His departure took effect last Thursday and follows

a heated, but abortive, takeover attempt by Mr David Abell's Suter group. Last September Suter picked

up a holding of over 7 per cent in Francis and eventually launched a full takeover six months later, having built up a stake of about 25 per cent.
In May Suter had to let the offer lapse bu by then it had increased its holding in Francis to over 42 per cent. At the time of pursuing Francis "We shall camp on their lawn," he said.

Mr Don Crosby, managing director of F. Francis and Sons, was elected to Francis' board last in the soft of the current year.

In May Suter had to let the ing to £80,000.

Crown House has recently the secretaries are interim dividend of £50,000 the sale of its Jersey businesses.

Renwick Group has completed the sale of its Jersey businesses.

Blue Coach Tours, Allens Holidays and Allens Travel Bureau to W. E. Guiton and Company for a cash consideration of £448,000.

Crown House will use the pro-

and tableware divisions.

Virani Group UK has increased its holding in Rowton Hotels to 491,250 ordinary shares (12.88 per cent). Belhaven Brewery's stake remains at Robert Fleming Investment California In the sale to £246,000. In the 5 microscopic for £246,000 for £246,000. In the 5 microscopic for £246,000 for £246,000

ordinary share capital.

* * * *

Crown House has agreed
terms subject to shareholders'
approval and tax clearance from from the Inland Revenue, whereby Neatkirk, owned by Miss Gillian M. Eustance and certain other investors, will acquire from Lygon Securities, a sub-sidiary of Crown House, Senior Secretaries for £875,000 in cash, payable on completion, together

payable on completion, together with repyament of debts amount-ing to £80,000. Crown House has recently received from Senior Secretaries

Crown House will use the prowas elected to Francis' board last ceeds in the expansion of elec-trical and mechanical services and tableware divisions.

Harrison Malaysian Planta-Rubber Estates, Kinta Kellas pany. Rubber Estates, Malaysia Rubber Rob Company and Sungei Bahru initial Rubber Estates, became effective

company for a cash considera-tion of £448,000.

At the effective acquisition date, March 31 198, the net assets included in the sale amounted to £246,000. In the year ended March 1984 profits before tax these businesses

per cent of Rowton's issued lowing acceptance of the Saatchi offer.

Popple & Co. and has agreed to £0.52m and a provision for purchase the remaining 20 per administration and collection

Certain of the shares issued have been placed by the company's brokers. The vendors of MMI have undertaken not to dispose of the remaining characteristics and 9.39m capital (70.77 per cent) and 9.39m capital (70.77 per cent) dispose of the remaining shares issued as consideration, except

circumstances.

MMI was licensed by the Bank of England as a deposit taking dry cleaning and garment rental institution and, based in South business.

costs of £0.13m.

tion's scheme to acquire the and Popple are being transshare capitals of Doranakande ferred into a new holding comthe Ivan F. Boesky Corp has

ordinary snares.

The shares were purchased as follows: 125,000 at 71p on July 16, 25,000 at 72p on July 17, 25,000 at 75p on July 18, and 175,000 at 75p on July 19, increasing its interest to 1.6m ordinary and 4.13m capital shares

The purchase increases the beneficial interest of Ivan F.

for shares to the value of Johnson Group Cleaners has £20,000, within a period of 12 acquired J. W. Enterprises of months in the absence of special Wichita, Kansas, for \$5.5m (£4m) Johnson Group Cleaners has

J. W. Enterprises is a retail

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Yen 20,000,000,000 Term Loan

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The Bank of Yokohama, Ltd. The Mitsui Bank, Limited The Tokai Bank, Limited

The Mitsubishi Bank, Limited

The Sumitomo Bank, Limited

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Nippon Life Insurance Company

The Kyowa Bank, Ltd.

The Norinchukin Bank

The Bank of Fukuoka, Ltd.

The Hyakujushi Bank, Ltd.

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Bankers Trust Company, Tokyo Branch The Hokkaido Takushoku Bank, Ltd. The Kyowa Bank, Ltd.

June 1984

*

The Chuo Trust and Banking Company, Limited The Hokuriku Bank, Ltd.

The Mitsui Trust and Banking Company, Limited

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The Bank of Tokyo, Ltd.

Republic of Indonesia

acting by and through

Bank Indonesia

Yen 20,000,000,000 Term Loan

Lead Managed by

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The Industrial Bank of Japan, Limited The Mitsui Trust and Banking Company, Limited Morgan Guaranty Trust Company of New York The Nippon Credit Bank, Ltd. The Toyo Trust and Banking Company, Limited The Yasuda Trust and Banking Company, Limited

Bankers Trust Company

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Toho Mutual Life Insurance Company

Crédit Commercial de France, Tokyo Branch

Nippon Life Insurance Company

The Nippon Trust and Banking Co., Ltd. The Sumitomo Trust and Banking Company, Limited The Yasuda Mutual Life Insurance Company

The Chase Manhattan Bank, N.A., Tokyo Branch

The Long-Term Credit Bank of Japan, Limited The Chuo Trust and Banking Company, Limited The Industrial Bank of Japan, Limited

The Mitsui Trust and Banking Company, Limited Morgan Guaranty Trust Company of New York, Tokyo Office The Toyo Trust and Banking Company, Limited The Yasuda Trust and Banking Company, Limited

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The Yasuda Mutual Life Insurance Company The Hokkaido Takushoku Bank, Ltd. Dresdner Bank AG, Tokyo Branch The Bank of Fukuoka, Ltd. The Kyoei Life Insurance Co., Ltd. Nissan Mutual Life Insurance Company

The Hachijuni Bank, Ltd. The Hyakujushi Bank, Ltd. The Iyo Bank, Ltd. The Shikoku Bank, Ltd. The Yasuda Fire and Marine Insurance Company, Limited

June, 1984

The Long-Term Credit Bank of Japan, Limited

Years ended 31st March	1984	1983
Turnover	£23,312,000	£20,057,000
Profits before tax	£3,307,000	£2,652,000
Earnings per share	13.4p	9.5p
Dividends per share	2.7p	2.27p

For a copy of the report and accounts post the coupon below:

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Granville & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

Over-the-Counter Market

	-	_					P/I	
198	3-84				Gross			Fully
High	Low	Company		Change			Actust	taxed
142	120	Ass. Brit. Ind. Ord	136	_	6.3	4.6	8.D	10.4
158	117	Ass. Brit. Ind. CULS	144	_	10.0	6.9		_
78	55	Airsprung Group	55	_	6.4	11.6	6.0	7.3
38			37		1.4	3.6		_
330	1417	Bardon Hill		_	8.6	2.7	129	21.5
58	46	Bray Technologies	2 6	_	3.5	7.6	5.3	7.7
201	188	CCL Ordinary	168	- 2	12.0	6.4		_
152	121	CCL 71pc Conv. Pref		- 2	15.7	12.2		_
540	100	Carborundum Abrasives		_	5.7	1.1		
249	100	Cindico Group		_	_	_		_
69		Deborah Services		_	6.0	8.0	35.3	57.4
231	75	Frank Horsell	231		_	_	9.3	12.2
205	75%	Frank Horsell Pr Ord 87	203ad	_	9.6	4.7	8.2	10.7
69		Fredorick Parker	25	_	4.3	17.2		_
39		George Blair	35	_	_	_		_
80	46	Ind. Precision Castings		_	7.3	15.5	13.0	16.2
	2150	Itis Ord	2170		150 0	6.9		_

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vitarcent, a leading international force in commercial, industrial and defence electronics, profits like many other high ochnology companies from Staffordshire! indoubted strengths: its location, its highly killed workforce and its comprehensive esearch racentes. Phone 0785 3121 ext 7370 for lurther Information which will guide you to us.





Rexmore higher at £0.65m and payment up

DESPITE a marginally lower second half result of £362,000. second half result of £362,000, against £371,000. Rexmore, the uphoistery wholesale and textiles group, ended the year to March 31 1984 with pre-tax profits ahead from £561,000 to £647,000. Turnover fell from £31,26m to £26,78m.

The directors believe that

measures taken last year to improve liquidity and the continuing development of new products will ensure progress during the current year.

Turnover and profits of British Trimmings Group, sold to Berisfords on April 29 1983, are included in results for the month

of April 1983 only.

Earnings per 25p share increased from 2.86p to 4.69p and the final dividend is up to 0.86p (0.775p) for a higher total of

(0.775p) for a higher total of 1.46p (1.3p) net.
Operating profits were down from £1.17m to £831,000, but associates' contributions added £279,000 (£44,000) and interest payable fell from £657,000 to £439,000. There was also a £34,000 loss this time on discontinued operations.

Tax took £44,000 (£146,000), interesting £8,000 (£7000) and minorities £8,000 (£7,000) and there was an extraordinary credit of £47,000 as against a £122,000 debit previously.

Romai Tea forecasts improvement

The directors of Romai Tea
Holdings say pre-tax profits for
1983-84 should show a "substantial increase" over 1982-83 provided tea prices remain at their
current levels and normal
climatic conditions prevail.

It is pointed out that some
1,200 chests of London auction
forward contract teas were
detained and had to be sold in
India because of the ban on the
export of CTC teas which was
lifted on May 12.

Settlement has been achieved Settlement has been achieved

with the Indian tax authorities. An amount of some £47,000 has An amount of some £47,000 has been paid in settlement of the alleged tax liability. The quantum of profit remittance still outstanding amounts to approximately £108,000 and will be remitted as soon as the tax assessments of the former sterling company have been finalised and agreed.

All five instalments of the insecured loan due from Majuli Tea Company (India) have been received. That company has also declared an interim dividend of 10 per cent in respect of year

declared an interim divident of 10 per cent in respect of year 1983-34 of which the parent com-pany's share of £16,649 has now been received.

the six months to June 30 1984, having stood at 303.4p at the comparable stage last year, at

MINING NEWS

Stronger iron ore demand lifts Hamersley at halfway

tomers.

After last year's sharp rise in profits to A\$\$9.2m, the company warned that there was likely to be a very significant fall this year. The latest report clearly gives grounds for greater opti-mism about the future for Ausmism about the future for Australia's iron ore producers.
The strengthening in demand became apparent late in the first quarter, and led to a rise of one-fifth in sales volume compared with the opening six months of last year.

The recovery in demand has been greater than required by the modest increase in steel pro-duction in the major markets, Hamersley said yesterday, and also reflects higher production

the June quarter production report from the Mount Newman joint venture, owned as to 20.4 per cent by CSR. This showed that the project increased its output for the three months from 5.83m tonnes to 7.99m tonnes, reflecting the build-up in export demand.

© DESPITE a modest profit in the second quarter of this year the RTZ group's Canadian Lornex producer of copper and molybdenum in British Columbia is showing a net loss for the first half of CS1.94m (£1.11m). It compares with net earnings of

the modest increase in steel production in the major markets, Hamersley said yesterday, and also reflects higher production of pig iron for steelmaking in the wake of the decreased competitiveness of scrap.

Shipments outwelghed production in the period, totalling 18.9m tonnes against output of 15.7m tonnes. Hamersley was also able to take advantage of disruption in the same period of 1983.

The deterioration is blamed on sliver, a decline in production of copper and molybdenum and higher mine operating costs. The tonnes in the first half of this year has fallen.

The copper content comes out at 88,195 tonnes against 93,047 tonnes in the first half of this year has fallen.

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A MARKED increase in demand for iron ore helped Hamersley to exports from India to sell from the local producer in the Holdings, the big producer in Western Australia's Pilbara region, to boost net profits for the first half of the year by almost 14 per cent.

The increased profits of A3-55.5m (£28m) for the six months to the end of June came in spite of a 12 per cent cut in prices from April 1, negotiated by the Japanese steelmakers which are Hamersley's main customers.

The latest results include the Lornex 39 per cent share in the Bullmose coal project in northeast British Columbia. The venture started operations on January 1 this year and Lornex share of the coal production was coal project in northeast British Columbia. The venture started operations on January 1 this year and Lornex share in the first half of 1984.

CRA, in which the Rio Tindon THE grade of ore mined continues to decline at the RTZ interest. owns 93.7 per cent of Hamersley.

An interest production to building the second project in northeast British Columbia. The venture started operations on January 1 this year and Lornex share of the coal production was share of the coal production to building the second project in northeast British Columbia. The venture started operations on January 1 this year and Lornex share of the coal production was share of the coal p

interest, owns 93.7 per cent of Hamersley.

Another hopeful sign for the industry came in the form of the June quarter production report from the Mount Newman joint venture, owned as to 20.4 per cent by CSR. This showed that the project increased its improved to 0.56g in the previous three months.

For the first half of this year the copper grade has averaged 0.43 per cent compared with 0.47 per cent a year ago while that of gold has averaged 0.52g against 0.58g.

In order to offset the effects of the decline in ore grades, Bougainville has been installing additional ball mills to handle a higher ore throughput. Even so, the total metal content of the concentrates produced in the first half of this year has fallen. It compares with net earnings of CS3.55m in the same period of

GOLD FIELDS GROUP

THE CLYDESDALE (TRANSVAAL) COLLIERIES LIMITED

(Incorporated in the Republic of South Africa) ISSUED CAPITAL: 10 097 721 shares of 50c each.

-	Quarter ended 30 June 1984	Quarter ended 31 March 1984	Year ended 30 June 1984	
Operating Results (tons 000)			9 222	
Total mined	2 309	2 470		
Tons sold	2 301	2 451	9 245	
	26 122	27 311	106 226	
Sales revenue			86 094	
Cost of Sales	20 401	22 506		
Gross profit	5 721	4 805	20 132	
Sundry revenue—net	1 108	65 6	4 089	
Profit before tax	6 829	5 461	24 221	
	3 319	2 675	11 S29	
Tax	2 212	2010		
Profit after tax	3 510	2 786	12 392	
Capital expenditure	123	60	337	
	6 8 1 6		10 603	
Dividend	0.010			

Financial Year End. This report covers a period of twelve months as the financial year end of the company is June

of each year.

Change in Control. On 1 July 1884 Gold Fields of South Africa Limited acquired 5 035 100 shares in this company from members of the Liberty Life Group in exchange for 2 517 550 convertible redeemable cumulative preference shares of 5 cents each in Gold Fields of South Africa Limited at a price of R29 per share, in the ratio of 50 preference shares for every 100 Clydesdale shares. A comparable offer has been made to all other shareholders and such offer closed on 20 July 1984.

Gold Fields of South Africa Limited were appointed administrative and technical advisers and secretaries of this company with effect from 1 July 1984.

this company with effect from I July 1984.

Change in Accounting Policy. The policy of amortising mining assets introduced by the company on I July 1981, has been discontinued with effect from the financial year ended 30 June 1984. Accordingly, the company has readopted its previous policy of appropriating from the profits of the company such sums which, together with the paid-up share capital will approximate its outlay on fixed and other assets.

As a consequence of the change no amortisation has been provided for in the above results and the figures for the March quarter have been amended accordingly. The appropriation method is widely used in the mining industry in South Africa and its adoption will result in the company's accounting policy falling in line with all other mines within the Gold Fields Group.

Canital Expenditure. The unexpended balance of author-

Capital Expenditure. The unexpended balance of authorised capital expenditure at 30 June 1984 was nil. Dividend. A dividend (No. 142) of 67.5 cents (35.72941p) per share declared on 6 June 1984 was paid to members on 17 July 1984.

A. M. D. GNODDE }

M. R. FULLER-GOOD

Registered and Head Office: Gold Fields Building. 75 Fox Street. 23 July 1984

Anglovaal takes stake in BHP South African coal venture

SOUTH AFRICA'S Anglovaal mining finance house and the U.S. Utah International resource group (now a subsidiary of Australia's Broken Hill Proprietary) are to link up in joint South African coal and gold ventures.

The coal deal involves the purchase by Aglovaal of a 30 per cent stake in Eloff Mining, a subsidiary of Utah. The consideration is R6.57m (£3.34m) payable over five years.

COMPANY NEWS IN BRIEF

Net asset value per £1 ordinary (hild Health Research Invest- metal worker and jig and tool

Income rose from £73,000 to £140,000 including net profits on dealings in securities by its subsidiary Frankrate and under-

The Warehouse Group of fashion boutiques has reported an increase in taxable profit from £178,000 to £265,000 in the

from £178,000 to £265,000 in the year to March 31, 1984.

The final dividend of 3.75p net compares with 3.125p last time, there being no interim. Earnings per ordinary 25p share are stated as 36.3p (33.6p) basic, and 33.8p (33.6p) fully diluted.

Sales were up from £3.82m to £4.75m, from which operating profit emerged at £266,000 (£193,000). Interest took £1,000 against £15,000, and tax £5,000 (£17,000).

Pre-tax profits of the Commer-cial Bank of Wales rose from £625,000 to £777,000 for the first half of 1984. Earnings per £1 share increased from 7.7p to

9.1p.
At the attributable level, profits moved ahead from £385,000 to £457,000, after tax £80,000 bigher at £320,000.

A sales increase of more than fim to £3.92m pushed the pre-tax profits of Symonds Engineer-ing up 72 per cent to £234,000 for the year to March 31.

writing commisesions.

(£17,000).

Eloff is taken from Utah rights to proven coal reserves of some 1bn tonnes near Delmas in the Transvaal. According to Mr Ken Barnard, managing director of Utah's South African exploration subsidiary, these are among the last large strippable coal depo-

It is hoped that the open-pit coal deposits will be developed as feed stock for a new power station. "When Escom (the state electricity authority) next calls for tenders for coal supplies for a new power station Eloff intends to submit a tender," said Mr Barnard.

It is hoped that the open-pit financial director said: "We're very satisfied with the deal. It has been part of Anglovaal's long-term strategy to become more involved in the energy field.

Participants in Anglovaal's

a He pointed out that following a tender call to feed a new power station it would take at least six years before mine development was started. "This means that as far as Eloff is concerned we are looking at a long-term project," he added.

Anglovaal pioneeres from-coal

from-cosi process in the 1930s and Mr David Crowe, the group's sits remaining in South Africa.

has proposed an increased final dividend of 0.6125p (0.5825p) making a total of 0.85p (0.785p).

After tax of £81,000 (£62,000),

earnings per share are shown at 1.997p (0.941p).

Net asset value per 25p ordinary share in Fleming Technology Investment Trust rose slightly from 163p to 1643p in the year to May 31 1984, but the final figure is a fall from the 176 9p reported at midway

Net revenue before tax was £1.34m against £1.28m, from which tax took a roughly similar

£466,834 (£449,458).
The dividend absorbed more at

Turnover of Dewhurst & Partner rose from £1.66m to £1.83m in the 26 weeks to April 1, 1984, and pre-tax profits of this maker of electric and motor control equipment moved up from £57,660 to £67,360.

Tax took £20,000 (£17,000) giving net profits up from £40,660 to £47,360. Earnings per 10p share improved from 0.56p to 0.66p and the pet interim dividend is higher at 0.25p (0.225p)—last year's total was 0.675p.

£867,868, up from £848,144.

176.9p reported at midway. The final dividend is effectively raised from 1.35p net to 1.4p to lift the total by 0.05p to 2.2p.

Gold comes into the picture for Utah via the decision to acquire at historical cost 30 per cent of Sun Prospecting and Mining, an Anglovaal-Middle Wits gold exploration company with an area of some 40,000 hectares to the north of Allanridge and south of Bothaville in the Orange Free State.

Joint company announcement

Anglovad Limited (Anglowar)

Utch International Incarra

HoffMning Company Proprietary) Limited (1867)

The Boards of Directors of Anglovaal, Utah and Eloff announce that:

1. Utah's Interests in certain proven coal reserves near Delmas, Transvaal, are about to be transferred to Eloff, its newly-incorporated South African subsidiary. These reserves constitute a potential source of supply to a large power station and it is intended that Eloff will tender, on the basis of those reserves, for the supply of coal to the Electricity Supply Commission of South Africa ("Escorn") when tenders are next invited for the supply of coal to a future Escorn cower station. to a future Escom power station.
It is not possible at this stage to anticipate the outcome of the proposed tender or the financial implications thereof.

2. Anglovasi will acquire a 30 per cent interest in Eloff for a consideration of R6 570 000, psyable over a five-year period, and Utah will acquire at historical cost from Anglovasi and Middle Witwatersrand (Western Areas) Limited ("Mid Wits") a 30 per cent interest in an on-going gold prospecting venture in the Orange Free State.

3. In terms of the existing arrangements relating to the development of Angiovaet's coal interests, Angio-Alpha Limited and Mid Wits will participate to the extent of 50 per cent and 24,5 per cent respectively, in the 30 per cent interest in Eloff to be acquired by Angiovael.

4. In respect of the future exploitation of the cost reserves by Endf, the Utah Group will be responsible for management of the mine establishment activities and Anglovaal will be responsible for management of the mining activities.

5. Utah's interests in South Africa, other than those in the Delmas coal reserves, will continue to be held by the Utah Group and to be managed by Utah's wholly-owned subsidiary, Southern Sphere Mining and Development Company (Pty) Limited. Utah itself is a division of The Broken Hill Proprietary Company Limited, an Australian resources, manufacturing

27.3

CS-SEL: A

BARCLAYS HOME MORTGAGE

Barclays Bank PLC announces to existing borrowers that from the close of business on 1st August 1984 Barclays Home Mortgage Rate will be increased from 11% to

Published by Barclays Bank PLC, Reg. No. 48839. Reg. Office 54 Lombard Street, London EC3P 3AH.

This advertisement is issued in compliance with the regulations of the Council of The Stock Exchange.

> PUBLIC LIMITED COMPANY (Registered in England No. 1513904)

Issue of £7,839,153 8 per cent. Convertible Unsecured Loan Stock 1997/2001

The above-mentioned Stock, allotted by way of rights, has been admitted to the Official List by the Council of The Stock Exchange. Particulars of the Stock are available in the Extel Statistical Services and copies of such particulars may be obtained during usual business hours on any weekday (Saturdays and public holidays excepted) up to and including 14th August, 1984 from:-

Kleinwort, Benson Limited 20 Fenchurch Street, London EC3P 3DB

24th July, 1984

de Zoete & Bevan, 25 Finsbury Circus, London EC2M 7EE

APPOINTMENTS

National Freight changes

has also been named as a second deputy chairman from June 1985, succeeding Mr Victor Palge who will retire but with remain on the board. Mr
Trevor Larman, currently group
finance director of BRS Group,
has been appointed NFC finance
director UK, from January 1985
when Mr James Watson becomes
deputy chairman (finance). From
October, three of NFC's operating companies currently incoming companies, currently incor-porated in the Group structure, will be given direct representa-tion on the NFC executive board tion on the NFC executive board through their respective managing directors, namely: Mr Richard Gapper, Pickfords Travel: Mr Denis Olliver, Pickfords Removals; and Mr Ron Sawbridge, Tempco Union. Mr Beattle and Mr Larman will also become makes of the avery

Senior appointments have been separate group. Several of the made in the employee-owned existing Pickfords Group comNATIONAL FREIGHT CONSOR. panies will remain together TIUM. Mr David White, group under the control of a revived managing director, Pickfords of the control of a revived special traffics group and will be special t

WALKER CROSWELLER AND CO. has appointed Mr Simon C. Wheeler marketing director. He joins from Acrow, where he was marketing director of a subsidiary producing water treatment products.

Mr S. D. (Jim) Wilks, pre-viously chief executive of British Overseas Trade Board and Under Secretary EGCD, has been appointed regional director of JAMES HALLAM, insurance brokers, with special responsibility for export business.

Mr Keith Daniels has been appointed a partner in PEAT MARWICK'S Sheffield office.

become mebers of tmhe executive board. From October, Pickbern appointed a director of fords will no longer be a HENRY ANSBACHER AND CO.

Company announcement

MiddleWitwatersrand

The attention of members is drawn to a joint announcement by Anglovaal Limited, Utah International Inc. and Boff Mining Company (Proprietary) Limited which appears in the press to-day.

NEW YORK STOCK EXCHANGE 24-26 AMERICAN STOCK EXCHANGE 25-26 U.S. OVER-THE-COUNTER 26, 34 WORLD STOCK MARKETS 26 LONDON STOCK EXCHANGE 27-29 UNIT TRUSTS 30-31 COMMODITIES 32 CURRENCIES 33 INTERNATIONAL CAPITAL MARKETS 34

SECTION III - INTERNATIONAL MARKETS FINANCIALTIMES

Shortage may help Japanese rice farmers, Page 32

Tuesday July 24 1984

WALL STREET

Output data deal a big blow

A SEVERE blow was dealt to Wall Street yesterday by the Commerce Department's revised estimates on gross national product which indicated a growth rate of 7.5 per cent in the second quarter, writes Terry Byland in New

This was substantially higher than market predictions and a far cry from the Department's original estimate of 5.7 per cent growth, which shocked the mar-

ket a month ago.

The bond market fell by around three quarters of a point, and the Dow Jones industrial average quickly plunged more than 12 to within a couple of points of the most recent low of 1,086.90 reached

in mid-June.

Towards the end of the session, there was a swift turnround in the bond mar-ket when the professional traders swung to the view that today's publication of the latest consumer price index will show a more favourable trend than an-ticipated. In the absence of retail interest, bond prices recovered rapidly.

The stock market rallied in the wake of the bond market, and there was increased buying interest. The Dow Jones industrial average ended a net 4.75

STOCK MARKET INDICES

1,096.62 447.33

124.28

755.3

986.9

465.83

501.28

490.3

11.40

675.0

408.0

53.51

July 23

100 95

102.6

1199

DJ industrials

OJ Transport

S&P Composite

DJ Utlities

FT ind Ord

FT-SE 100

FT-A 500

Tokyo SE

AUSTRALIA

Metals & Mins

Credit Aktien

Belgian SE

All Ord.

AUSTRIA

BELGIUM

CANADA

Comp

DENMARK

FRANCE

CAC Gen

Copenhagen SE

Ind. Tendance

WEST GERMANY

Commercibank

HONG KONG

Hang Song

Banca Comm

NETHERLANDS

ANP-CBS Gen

ANP-CBS Ind

HORWAY

Oslo SE

SDIQAPORE

Straits Times

SOUTH AFRICA

Madnd SE

SWITZERLAND

Capital Int1

Swiss Bank Ind

SWEDEN

WORLD

Frankfurt

Pans (fixing)

Luxembourg (fixing)

Zurich

ITALY

TOKYO

FT-A All-share

FT Gold mines

FT-A Long gill

LONDON

1,101.37 1,231.17

579.06

131.50

168.89

700.9

960.9

444.51

482.60

654.8

593.4

128.8

Yr ago

123.88

80.5

111.9

Year ago

181.1

\$341.25

\$342.00

5342.00

\$346.85

\$347.50

S339 30

10.76

451.75

123.70

149.55

776.2

1,009.8

473 41

510.19 509.8

11.28

9.703.35 9.945.27 8.993.4

750 09 763.18 664.08

680.9

415.2

53.52

141.94

102.49

186.25

102.0

320.41 324.10 328.92

932.6

747.02 801.10 1,086 90

208.16 208.19 197.45

122.3

249.14 244.14 193.91

873 86 873.77 949 61

846.3 954.7

n/a 1,469 47 1,380 78

360 5

168.3

\$335,25

\$335.00

\$333.00

\$337.40

128 16 127 07

July 20

167.4

GOLD (per ounce)

2,119.6 2,493.9

Standard & Poors 500

End Month Figures

points down at 1,096.62, on turnover of

The bond market's key long dated issue, the 13% per cent of 2014, dipped beneath par value at one stage. The sharp upward revision of GNP estimates was regarded as strengthening the chances of a tightening of Federal Reserve credit

On Friday, the Fed drained market cash by means of matched sales of Treasury securities, often seen as a tightening move by the authorities. The federal funds rate remained high at 11% per cent yesterday.

This week brings a further test for the bond market in the form of tomorrow's appearance before the Senate Banking Committee of Mr Paul Volcker, the Fed chairman, in one of his few public dis-

cussions of Federal Reserve policies. In the stock market, selling pressure was not heavy, although across the full range of the market, falls outnumbered gains by about five-to-one. A fall of around 18 per cent in the total of block trades indicated that the institutions

were standing on the sidelines. The opening of annual wage negotia-tions saw the Detroit motor stocks easier, with Ford an early \$% off at \$37%, General Motors % down at \$66% and Chrysler \$\% lower at \$26\%, despite last week's disclosure of record profits for the second quarter.

The reporting season among the major chemical issues opened with Union Carbide \$% off at \$48 after results. The much battered pharmaceuticals sector had Smithkline Beckman \$% down at \$53% and Schering Plough \$% off at \$34%, both after reporting second quarter trading results. But Eli Lilly recov-

1100

KEY MARKET MONITORS.

1984

July 23

2.876

8.8275

2.441 3.2555

1766.0

58.175

1.32625

(3-month offered rate)

DM

FFr

U.S. Fed Funds

13% 1991

13% 13%

10% June 1990

3% July 1990

8¾ May 2000

10% May 1993

10% May 2013

11.80 Feb 2013

12% Dec 2012

CHICAGO

8% 32nds of 100%

\$1m points of 100%

\$1m points of 100%

£50,000 32nds of 100%

LONDON

(London)

Salver (spot fixing)

Oil (spot Arabian light)

Copper (cash)

Coffee (July)

Abbot Lab

1014 March 1993 8314

Diamond Shamrock

Federated Dept Stores

U.S. Treasury Bonds (CBT)

Sept 62-19 62-U.S. Treesury Bitts (IMM)

3-month U.S.S

6-month U.S.S

1984

July 23 Previous

1.319

3.79

325.75

11.635

3.2075

4.29

2327.5

1.7465

4% 5%

12%

12%

12%

11.80

10.21

Price

Price

1.324

3.7825

323.75

11.61

4.27

3.2025

2323.5

1.758

12%

54

12%

1114/16

12%

11.85

10.14

12.80 13.32

13.18

Yield

70% 10 70

68% 10.70

417/16

CURRENCIES

2.858

244.85

8.7625

2.4175

3.225

1755.0

57.795

1.32825

INTEREST RATES

U.S BONDS

Price

Price

100%:

Yield

Yield

13 35

10.70

13.70

85% 14.35

FINANCIAL FUTURES

Latest High

62-19 62-22 61-21 62-08

89.48 89.50 89.25 89.38

88.07 88.08 87.65 87.88

87.68 87.76 87.60 87.88

98-06 99-01 97-31 99-08

544 95p

\$27.22

£1023 00 £1030.75

£2203 00 £2190.00

Prev 558.150

COMMODITIES

12.85 100¹⁴52 13.38 101²⁶52 13.37 98²⁴52

13.22 10015/2

ered \$2% of recent losses to stand at

Oil shares, also poised for trading news, had Standard Indiana \$% off at \$54% on its profit figures. Exxon at \$40%

shed 5%.
In the steel sector, Armco shaded \$% lower to \$12%, and Wheeling-Pittsburgh 5% to \$20% on their respective quarterly statements.

Sears Roebuck, the world's largest retailer of general merchandise, dipped \$4 to \$30% after good results, marred only by weakness in the financial services divisions which have been the group's favoured expansion areas.

The credit markets settled down at mid-session, and bond prices rallied slightly from their lowest levels. The key long bond at 100 %: was trading some %: down on the day. Short-term rates remained firm behind the federal funds rate. Today brings further indications of the progress of the U.S. economy, when the consumer price index and durable goods order data will be released.

LONDON

Rate fears fuelled further

FRESH evidence that the U.S. economy was expanding too fast for comfort alarmed London markets late yesterday. Gilts, struggling to contend with fears

of higher U.S. interest rates and further UK funding, doubled early losses to close over a point down. Longer-dated issues bore the brunt of the fall, but the shorts closed as much as % lower.

Leading shares followed the trend. The FT Industrial Ordinary index more than doubled an early afternoon fall to close 20.9 down at 755.3, Grand Metropolitan fell 18p to 250p and BP 13p to 437p. The oil sector was particularly un-certain on lower international crude

Brooke Bond resisted the surrounding despondency, up 24p to 101p in response to an unexpected offer from Tate and Lyle, which shed 20p to 312p.

The recent depression throughout mining markets continued as bullion lost further ground.

Chief price changes, Page 26; Details, Page 27; Share information service, Pages 28-29

HONG KONG

THE EVAPORATION of buying interest in Hong Kong, as concerns resurfaced over the colony's future, brought severe losses to all sectors.

On the property side Hongkong Land slid 25 cents to HKS2.05, and Cheung Kong 45 cents to HKS6.55, while among the trading houses Jardine Matheson fell 75 cents to HKS5.65 and Hutchison Whampoa 55 cents to HKS8.55, Banks showed Hang Seng down HK\$1.90 to

Healthy earnings reports curtailed losses for Associated Hotels and Trafalgar Housing to a cent a piece at 18 cents and 17 cents respectively.

AUSTRALIA

MINING issues led Sydney lower as falling metal values weighed on the market. Midsession bargain-hunting failed to take hold, and selling gathered pace towards the close.

BHP shed 10 cents to AS9.44, and Western Mining 8 cents to AS2.90. Oil and gas stocks were steady though.

Among banks ANZ retreated 13 cents to AS4.50, while Mr Rupert Murdoch's News Corporation lost 10 cents to AS9.10 amid the St Regis bid in the U.S.

SINGAPORE

A STEADY result was achieved in Singapore as demand centred on speculative issues. This was to the detriment of blue chips, interest in which showed no signs of as revival.

Pan Electric accounted for 2.7m of the total 8.9m shares transacted and put on a further 9 cents to S\$2.89 for an advance over the past fortnight of some 309 per cent. Its Selco unit was expected to benefit from Gulf salvage operations, but this was regarded as insufficient explanation for the activity.

SOUTH AFRICA

INDUSTRIAL issues suffered pronounced weakness in Johannesburg under the combined pressures of another record low for the rand against the doilar, a rise in inflation for last month, and the expectation of a further prime rate

Golds meanwhile finished above the day's lows. Buffels shedding R3.25 to R61.75 after R60.50. Anglo-American moved 80 cents down to R20.35.

Of the consumer issues SA Breweries lost 10 cents to R6.70 and tobacco producer Rembrandt 50 cents to R26.50, but retailer OK Bazaars held at R16.50.

GOLDS were at the forefront of a Toronto retreat, but also showing setbacks were energy, base metal and media issues. The property sector held up

Industrials fared slightly better in Montreal than did the banks and utili-

Retreat as problems proliferate

THE YEN'S plunge against the dollar and Riccar's problems left the Tokyo stock market sharply down yesterday at

a new low for the year, writes Shigeo Nishiwaki of Jiji Press. Share prices dropped across the board, also forcing some internationally known blue chips to 1984 lows.

The Nikkei-Dow market average plummeted 222.80 from Saturday to 9,703.35. This compared with the previous low for the year of 9,830.47, registered on February 14. Losses outpaced gains by 567 to 109, with 122 issues unchanged. Volume totalled only 189.32m shares, though, the smallest since the 135.39m traded on May 28.

Tokyo entered an adjustment phase in the second half of last week, with the Nikkei-Dow indicator losing 315 points in the four days to Saturday. It dropped below the 10,000 mark on Friday.

Yesterday, investors stepped up smalllot selling as the yen weakened. The decline was accelerated by reports of Ric-car's application to the Tokyo District Court for claims mediation. Riccar, Japan's third largest sewing machine manufacturer, lost Y24 in heavy trading of 9.78m shares to finish at Y70.

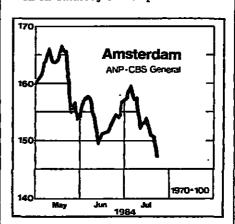
Mr Goro Fujikawa, president of Nikko International Capital Management, said fully-fledged price adjustment had finally started. Investors should be prepared for a further decline in the Nikkei-Dow average to 9,400, he said.

Incentive-backed issues, the only bright notes in the general downward trend last week, suffered steep declines. Morinaga shed Y19 to Y441, Yuasa Battery Y15 to Y370 and Japan Storage Battery Y14 to Y287 under profit-taking pressure. Kuraray fell Y45 to Y750, and Asahi Chemical closed at Y587, off Y3.

The yen's depreciation also dented non-ferrous metals. Nippon Mining finished at Y429 down Y34, Sumitomo Metal Mining Y1,330, off Y120, and Mitsubishi Metal Y508, down Y59.

Among blue chips, Hitachi lost Y15 to Y780, Matushita Electric Industrial Y50 to Y1,430, and NEC Y50 to Y1,050, all new lows for this year. Fuji Photo fell Y40 to Y1.480, Honda Motor Y50 to Y1.090, TDK

Y80 to Y4,520 and Kyocera Y90 to Y5,660. Bond market prices firmed after the National Debt Consolidation Fund's morning purchase of Y100bn worth of government bonds with about nine years to maturity. But as the yen continued to lose ground, many institutional investors kept away, and the yield on 7.5 per cent government bonds, due in January 1991, rose from the 7.505 per cent seen on Saturday on 7.51 per cent.



EUROPE

Firm Paris proves an exception

THE RESURGENCE of the dollar and attendant fears about the outlook for interest rates once again took a toll on many European bourses and left both the West German and Dutch markets plumbing new lows for the year.

However, Paris charted its own course against the trend on the growing belief that last week's decline, amid the gov-ernment reshuffle, had been overdone.

The Indicateur de Tendence added 0.60 to 102.60, and some significance was seen in the improvement at a time when books were being squared ahead of the new monthly trading account which begins today.

Falls were to be found, however, in

the foods sector where Générale Occi-dentale shed FFr 10 to FFr 606, but a firm motor sector saw Peugeot rise FFr

Moulinex added 60 centimes to FFr

96.10 as it reported higher first-half consolidated turnover.

In Frankfurt, where the dollar reached a 1015-year high against the D-Mark, shares fell back in thin trading which left the Commerzbank index down 10.6 at 922

Commerzbank's announcement of lower first half profit was an added depressant. It shed DM 5.50 to DM 136.50, while elsewhere in the sector, Deutsche Bank eased DM 8.50 to DM 308.50, Dresdner DM 4.50 to DM 138.50 and BHF DM 6 to DM 219.

Selling pressure was particularly strong from foreign investors, and this was reflected in declines for such blue chips as Daimler-Benz and Siemens, each DM 8.50 lower at DM 515 and DM

359.50 respectively.

Bonds continued the retreat triggered by the repeal last week of the U.S. withholding tax on certain U.S. bond yields applied to foreigners. For the first time in several days, the Bundesbank had to make purchases - totalling DM 21.8m -

to balance the market. The day's decline came as the latest monthly report from Westdeutsche Landesbank Girozentrale forecast that the stock market could see small technical

movements in the short term although a lasting improvement was not in sight. Domestic investors took a lead from foreign sellers in Amsterdam, and

shares fell sharply in active trading to a The ANP-CBS general index dipped 3.8

to 147, heavily influenced by Royal Dutch's Fl 5.30 fall to Fl 142.20. Royal Dutch's decline was attributed to the latest pessimistic report on crude oil demand, issued by the International Ener-

Banks also saw substantial falls, said to be the result of recent company statements on results having come under

Amro and ABN, which both report second half figures early next month, were down Fl 2.10 and Fl 4.50 respectively at Fl 51.60 and Fl 289.

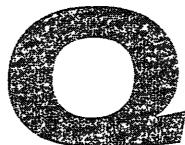
Bond prices were mostly unchanged after the state's latest 8.75 per cent loan was priced at par, which the market had expected and had already discounted.

Milan was mixed with Fiat unchanged at L4,020, as the motor manufacturer announced that higher sales by most major subsidiaries contributed to a rise in consolidated group earnings and sales

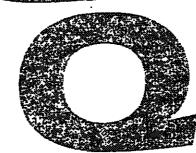
In Zurich, the stock and bond markets were mostly lower in low volume, while Stockholm was also easier in the lowest trading turnover for months.

Madrid held steady, while Brussels was closed for a public holiday.

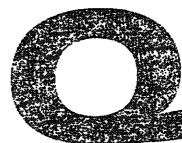
more or less likely to read an English-language newspaper or magazine than Italian businessmen?



Do German businessmen travel to North America on business more or less frequently than British businessmen?



What are the major industries where Europe's top businessmen work and how does this pattern vary from country to country?



What are the relative sizes of the top businessmen markets in the Netherlands and Spain?



For further information, fill in

International Management, New Scientist,

Newsweek, Le Point,

These are just some of the questions that are answered in the 1984 European Businessman Readership Survey. Published in June, this is the sixth in the series and covers 17 European countries. Conducted by Research Services Ltd, the survey can be used to reveal the characteristics of a marketplace. For advertisers, the EBRS shows which industries, countries

and executives their advertising will reach and has become an essential tool to media planners throughout the World.

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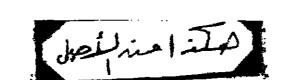
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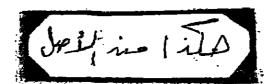
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LONDON STOCK EXCHANGE

Gilts slide and equity index falls nearly 21 points

MARKET REPORT

*First Declara- Last Account Dealings tions Dealings Day July 16 July 26 July 27 Aug 6 July 30 Aug 9 Aug 10 Aug 20 Aug 13 Aug 30 Aug 31 Sept 10 **New-time** dealings may take place from 9.30 am two business days partier.

Fresh evidence that the U.S. economy was expanding too fast for comfort alarmed London markets late in the session. Values were already uneasy awaiting announcement of America's serond-marter CNP Values were already uneasy awaiting announcement of America's second-quarter GNP figure and mid-afternoon news of 7.5 per cent growth, against the recent "flash" estimate of 5.7 per cent, rather shook markets. It was immediately assumed that U.S. financial markets would weaken and this was soon confirmed by falling bond and share prices early yesterday on Wall Street.

Struggling to contend with fears of higher U.S. interest rates and further U.K funding, announced late Friday via the £700m issues of three tranches of existing stocks, Gilt-edged securities doubled early losses to close over a point down. Longer-dated issues bore the brunt of the fall but the shorts closed as much as { lower. Selling pressure was rarely heavy but with buvers extremely shy

ing pressure was rarely heavy but with buyers extremely shy and unwilling to commit sub-stantial funds emanating this week from interest payments, the market became very uncer-

tain.

Circumstances were similar in equity markets. Leading shares followed the trend set by Gilts and the FT Industrial Ordinary shareindex more than doubled an early afternoon fall of around arrive register to close 20.9 down at nine points to close 20.9 down at nine points to close 20.9 down at 755.3. Double-figure losses were frequent, although only five constituents of the index registered notable falls. Tate and Lyle, Grand Metropolitan and British Petroleum were hit most. The oil sector, in fact, was particularly uncertain throughout on lower international crude prices. Brooke Bond resisted the Brooke Bond resisted the irrounding despondency, surrounding responding strongly to an unexpected shares and cash offer from Tate and Lyle; the former's board quickly rejected the bid.

Life issues retreat An outstanding sector last An outstanding sector last week on takeover speculation, Life Insurances retreated sharply. The absence of rumoured bid developments coupled with the surrounding gloom prompted profit-taking which left double-figure falls by the close. Sun Life, particularly strong of late on talk of a large stake changing hands, fell 18 to 647p. Legal and General dropped 17 to 480p as did Eouity and Law, to 160p. Awaiting

EQUITY GROUPS

No. Phillip

Friday by PWS Internation impressive debut, also ran b on profit-taking. Willis Fa dipped 10 to 870p and Sedgu 8 to 260p. Royals lost 14 to 4 and Commercial Union gave 6 at 207p among quietly communities.

Composites.

The early trend of the miclearing banks was quietly in recognition of a cheering the control of a cheering the compounce of a cheering the composition of a cheering the cheering th and the acquisition of a 5 cent stake in London stockb ing firm, Fielding Newson-Sn lost 12 to 598p. Barcl lost 12 to 598p. Barclays, rumoured to be the next clearer rumoured to be the next clearer to soon announce fund-raising plans, cheapened 10 to 440p, while Midland lost 8 at 320p; the latter's interim figures are due on Thursday. Lloyds ended 5 lower at 435p. Elsewhere, merchant banks came on offer with Hambros 4 easier at 121p and Schroders 15 down at 675p, both new lows for the year.

First-time dealings in Amari, the metals stockholding and distribution group, confirmed recent the metals stockholding and dis-tribution group, confirmed recent pessimistic expectations; the shares opened trading at 82p and after a small business closed at

arter a small business closed at 85p compared with the offer-for-sale price of 110p.

Breweries continued to drift lower. Bass, 357p, and Allied-Lyons, 151p, closed 3 and 4 down respectively. Cider concern Merrydown Wine firmed 5 to 390p. after 395p. op the Merrydown Wine firmed 5 to 390p, after 395p, on the increased preliminary profits, encouraging statement and proposed 1-for-8 scrip issue. Rivals H. P. Bulmer rose a few pence to 140p in sympathy.

The lansing of C. H. Beazer's favourites Vantona Viyello 190p in response favourites Vantona Viyello 228p, gave up 6 apiece. Second-6 6 were recorded in GKN, 156p, and Tl, 208p. Secondary issues tinction. Revived speculative demand lifted Stead and Simple altered, but Symonds Engineers bardened 1½ to 19p in response favourites Vantona Viyello 190p in response to favourable Press mention. H. P. Bulmer rose a few pence to 140p in sympathy.

The lapsing of C. H. Beazer's offer prompted a sharp mark down in William Leach which opened at around 100p but rallied a little to close 37 down on the day at 108p. Elsewhere in the Building sector, profitaking after last week's rise on the bid approach left Glossop 4 cheaper at 63p. while adverse

4 cheaper at 63p, while adverse Press mention caused a reaction of 7 to 56p in Tysons. The leaders were inclined easier, Blue Circle shedding 5 to 360p. ICI, a relatively bright market last week, succumbed to occasional selling and gave up 8 at 538p; the half-year results are due on Thursday.

Stores dull late

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Mon July 23 1984

Fri July 20

Thur July 19

Wed July 18

Tue July 17

on latest U.S. economic news

	July 23	50 July	July 19	July 18	July 17	July 15	year ago
Government Secs	75,96	76,44	76,24	76,56	76,79	76,81	79,49
Fixed Interest	80.87	80.97.	80,89	80.99	81,00	80,94	82,91
Industrial Ord	765,3	776,2	764.7	769.8	770,5	775.0	700.9
Gold Mines	490.3	509,8	529,3	529,4	537.B	553.9	654. 8
Ord. Div. Yield	5,29	5,14	5.19	5.16	5.16	6.12	4,60
Earnings, Yld.% (full)	12,20	11,68	12.04	11.96	11,97	11,89	9,14
P/E Ratio (net) (*)	9,84					10.11	13,63
Total bargains (Est.)	16,948	17,357	16,939	16,679	18,526	19,547	16,846
Equity turnover £m.,	_	250,49	192,46	150,84	182,00	215,13	129.90
Equity bargains	- :	12,972	11,486	10,707	12,311	14,093	15,015
Shares traded (Mi)		164 4	1020	84 0	94.5	1991	96 9

10 am 775.0. 11 am 773.1. Noon 767.9. 1 pm 767.0. 2 pm 763.3. 3 pm 759.3. Basis 100 Govt. Secs. 15/1/26. Fixed Int. 1928. Industrial 1/7/35. 1 Mines 12/9/55. SE Activity 1974. Latest Index 01-246 8029

Hi	GHS	AND	LOWS	<u> </u>	S.E. ACT	IVITY	'
	19	84	Since Co	mpilatin		July 1	July 19
	High	Low	High	Low	Daily		
Govt. Secs	83,77 (9/1)	75.98 (25/7)	127.4	49,48	Gilt Edged Bargains Equities	158.0	150.2
Fixed int	87.45 (14/5)	80.87 (25/7)	155,4 (26)11/47)	, 50.03 (81/1/75)	Bargains! Value ,	84,0 506,3	74.4 389.0
nd. Ord	922.B (6/6)	755.3	922,8 (3/5/84)		5-day Average Gift Edged Bargains	168.8	174.0
Sold Mines	711.7 (9/8)	490,3 (28/7)	734.7 (15/2/85)	28/10/71)	Equities Sargains	79.8 400.6	85.9 414,0

Brooke Bond jump

Leading miscellaneous indus-

trial turned distinctly easier in the afternoon as selling became

the afternoon as selling became a little more persistent. BTR lead the retreat with a fall of 15 to 415p. Glazo closed similarly cheaper at 830p, while Unilever were 20 lower at 855p and Hanson Trust 7 off at 193p. Bowater Industries closed 12 down at 444p, dealings start ex the Bowater Incorporated entitlement today. Elsewhere, revived bid speculation lifted Gripperods 9 to 176p. Initial, awaiting the OFT ruling on the BET

8350 8575: 8400 8425: 8325: 8375: \$375

\$8 \$10 \$7 \$8 \$10

E310. £515 £520 £325 £225 £290 £310 £315 £325 £280 £133

F.300 F.290 F.120 F.120 F.120 F.130 F.130

F.45 F.45 F.45.50 F.46.90 F.150 F.150 F.260 F.240

TOTAL VOLUME IN CONTRACTS 17,213

ABN P
AEGN P
AEGN P
AH C
AKZO C
AKZO C
AKZO C
AMRO P
GIST P
GIST C

GIST P
HEIN CP
HEIN CP
HOOGG CP
HOOGG CP
KLM CP
NEDL CP
NATTO CP
NATTO CP
PHO CP
PHO CP
RD CP
RD

2,75

2,75 14,50 B 10 6,90 5,50 0,10 1,80 3,70 A 3

10.50

8 = E+đ

favourites Vantona Viyello encountered sporadic profit-taking to finish that much cheaper at 215p. Lincroft Kilgour eased 3 at 104p following the latest rejection of the offer from John Finlan. Currys eased a couple of pence to 238p; brokers Phillips and Drew advise holders to switch into fellow

electrical retailers Dixons.

Leading Electricals followed the lower trend, but most finished a few pence above the day's lowest. GEC, down to 174p day's lowest. GEC, down to 174p at one stage, ended 4 off at 176p, while Plessey finished 8 down at 188p, after 186p. Thorn EMI were a relatively quiet market ex the rights issue, the old shares closing 7 off at 398p xr and the new nil-paid shares at 19p premium. Basel firm of late

left Associated British Ports 6
lower at 210p. Rank Organisation
also came on offer at 230p, down
8. Hong Kong stocks gave ground
with Hutchison Whampoa 7
cheaper at 81p and China Light
5 down at 97p.
Among quietly firm Leisure
issues, LWT "A" rose 4 to 242p
in response to Press comment.
Pleasurama added 5 at 315p and
Pineapple Dance Studio
hardened 2 to 77p.
The bid for loss-making BL
dealers Benlys — widely foreshadowed in the weekend Press
—duly arrived at the start of

dealers Henlys — widely fore-shadowed in the weekend Press—duly arrived at the start of business yesterday. Henlys touched 126p before settling a net 4 up at 124p, a small premium on the cash offer terms from Midepsa, the Canadian-based investment concern headed by Mr Michael Ashcroft and Mr David Wickins. Midepsa effectively controls almost 30 per cent of Henlys via its Coleman Milne coachbuilding subsidiary.

Motor and Aircraft component manufacturers continued to lose ground. Adverse compensed on a weak note and continued to lose ground all day. Golds were the major casualties, Contral Norseman losing 38 to 225p and GMK 20 to 385p while Poseidon fell 15 to 176p. Parlaga Mining and Exploration were a notable exception and edged up 3 to 50p following news that Moonie Oil has increased its stake to 18.39 per cent.

Total contracts transacted in Traded Options amounted to 3,682—1,1880 calls and 1,802 puts. Oils returned to the fore ponent manufacturers continued to lose ground. Adverse comment left Lucas 6 off at 160p, while AE, 68p, and Automotive Products, 54p, both shed a couple of pence. Blumel Bros were quoted at 13p ex the rights issue; the new nil paid opened and closed at 14p premium.

Leading Shippings lacked support and closed at the day's lowest. P&O Deferred dipped 8 to 289p, while Ocean Transport and Trading gave up a like amount at 105p; the latter is scheduled to announce mid-term results on August 1. British and

results on August 1. British and Commonwealth, 833p, and the associated Caledonia Invest-ments, 733p, fell 20 apiece. Major Marks and Spencer sup-

Major Marks and Spencer supplier Nottingham Manufacturing fell 10 to 192p on interim results which revealed profits and a dividend payment below most market estimates. In contrast, Allied Textile hardened a couple of pence to 287p following increased first-half earnings. Courtaulds eased 3 to 110p on nervous selling in front of today's annual meeting, but Shaw Carpets gained the turn at 36p on Press comment. Proceedings in the Food sector were enlivened after lunch by Tate and Lyle's surprise cash and share-exchange bid for Brooke Bond. The out-of-the-blue offer prompted an immedi-

Oils under pressure

ate mark-up in BB to 103p; later the shares traded down to 97p only to improve again late after the board's rejection of the offer to close 24 higher on the day at 101p. Tate and Lyle to the continuing weakness dropped to 308p at one stage oil markets and came under before closing 20 lower at 312p, which leaves the bld for BB After an initial mark down currently worth around 95p per share. Elsewhere, recent bid favourite Rowntree Mackintosh lost 6 to 286p, while Cadbary

the close. Sum Life, particularly strong of late on talk of a large stake changing hands, fell 18 to 647p. Legal and General dropped 17 to 480p as did Equity and Law, to 160p. Awaiting and Law, to 160p. Britannic gave up 15 at 485p, while Woolworth shed 8 more to 160p. While falls of 14 and 12 respectively were seen in Refuge. 43p. and Prudential, 470p. Hambre Life declined 12 to 373p and Loudon and Manchester 7 to 262p, and House of Fraser, as the rights 185te, the old shares closing 7 off at 398p x and the new nil-paid shares at 19p premium. Raeal, firm of lare following a broker's circular, gave up 8 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following a broker's circular, gave up 8 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following a broker's circular, gave up 8 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following a broker's circular, gave up 8 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following a stream of lare following a stream of law up 18 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following a stream of law up 18 at 218p. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares at 19p premium. Raeal, firm of lare following and the new nil-paid shares at 19p premium. Raeal, firm of lare following and the new nil-paid shares at 19p premium. Raeal, firm of lare following and the new nil-paid shares closing 7 off at 398p x in the new nil-paid shares. Elsewhere, recent bid favourite Rowntree Mackintosh in the new nil-paid shares closing 7 off at 398p x in the new nil-paid shares c day, dipped to 213p prior to closing 6 cheaper on balance at 217p. The recent disappointing drilling news from Colombia continued to depress Eglington Oil which dropped 25 more to 143p. Bryson gave up 12 to 368p.

Charter weak

The recent depression throughout mining markets continued out mining markets continued as bullion lost further ground reflecting persistent worries over a possible increase in American interest rates.

The latest decline in the metal price—which closed at a 23-month low of \$335.5, a net loss of \$55.5.

of \$5.75 an ounce, brought re-newed pressure to bear on South African Golds which fell to their lowest levels since November

perods 9 to 176p. Initial, awaiting the OFT ruling on the BET bid, improved 14 to 490p. Reflecting the half-year loss, Consultants (Computer and Financial) were a poor market and closed 6 off at 26p. Occasional demand left Turner and Newall 3 to the good at 70p, while Dalgety responded to a broker's recommendation with a rise of 8 at 382p. Late offerings promputed a reaction of 9 Financial) were a poor market lowest levels since November and closed 6 off at 26p. Occasional demand left Turner and Newali 3 to the good at 70p, while Dalgety responded to a broker's recommendation with a rise of 8 at 382p. Late offerings prompted a reaction of 9 to 491p in Pearson, but Equipu responded to the increased dividend and annual profits with a rise of 5 to 130p. Revived selling 63.6.

10 :38,50

12 27

Mar. 33 0.65

5 · 6.10 B:

14.50 F.289 15.50 B 6.50 F.107 8 F.170 8 F.76.80

7.80 3.50 F.51.60

4.50 F.137

..

F.242.50

F.142

8 7.12

· \$325,30

EUROPEAN OPTIONS EXCHANGE

Dec. 12 — — 3

C = Call

8.50 14.50 B 14.50 B 5.50 4 6.40 1.70 1 1.70 1 1.70 B 2.50 4 4.70 B 2.50 4 1.60 6 6.50 1 1.80 6 6.50 1 1.80 6 1.90 1 1.80 6 1.90 1 1.80 6 1.90 1 1.80 6 1.90 1

28 |14.50 |6 | 3,50

7.50 15.5D 40 64

Vol. | Last | Vol. | Last |

An official denial of knowledge of any stake build-up or imminent asset disposals prompted a sharp reversal in recently-buoyant Charter Consolidated; up 55 during the previous week Charter's shares plummeted 23 to 225p. Cape Industries and Johnson Matthey in which Charter holds stakes of 67.3 per cent and 27.9 per cent respectively, were also under pressure following the Charter denial. Johnson Matthey gave up 5 to 235p and Cape a couple of pence to 78p.

There was no respite for recently beleaguered Australians. Sharply lower overnight in

Sharply lower overnight in response to downward pressure on the Australian dollar, prices

NEW HIGHS AND **LOWS FOR 1984**

COM"WEALTH & AFRICAN LOAMS (1) S. Rhod. 3-pc '80-85 AMERICANS (2) American Tel. Tel. Corp. Data Science FOODS (2) Brooke Rand Brooke Bond Culien's Stores INDUSTRIALS (1)

NEW LOWS (225)

OPTIONS

Share Information Service
...Call options were arranged in
Cheung Holdings, K.O. Boardman, Osceola, Riley Leisure,
Eglington Oil and Gas, Brunswick Oil, Asia Oil, GRA,
Pressae, Plessey, Jardine
Matheson, Atlantic Resources,
Jacksons Exploration, Oceonics,
CPS Computer, Aran Energy
and Barratt Developments. No
puts were reported, but doubles
were take nout in C.H. Bailey,
Charter Consolidated and
Brunswick.

Branswick.

3,682—1,1880 calls and 1,802 puts. Oils returned to the fore following the dull performance of the underlying share prices. BP attracted 95 calls and 209 puts, while Shell Transport recorded 135 calls and 91 puts. Elsewhere, Courtaulds attracted 268 calls, 113 in the October 120's, while GEC recorded 156 calls and 306 puts.

NEW HIGHS (8)



RISES AND FALLS YESTERDAY

Last For

First Last First Last Last For Deal- Deal- Deal- Declara- Settleings ings tion ment
July 9 July 20 Oct 11 Oct 22
July 23 Aug 3 Oct 25 Nov 5
Aug 20 Aug 31 Nov 22 Dec 3
For rate indications see end of
Share Information Service **EQUITIES**

RECENT ISSUES

98	Amount Paid up Latest Ranune,	# 2 8 # 2 8	19	84	Stock	Olosing price	+ or	Zet Vet	Prod	S Pier	변함
lesus price	Ame	252	Hìgh	Low	albek	8 5		20	투함	65 	
210 \$180 270 \$85 \$624 \$88 \$138 \$138 \$138 \$185 \$68 \$68 \$95 \$25 \$69 \$95 \$95 \$95 \$95 \$95 \$95 \$95 \$95 \$95 \$9	F.P. F.P. F.P. F.P. F.P. F.P. F.P. F.P.	10/8 	275 99 73 92 331 ₂ 172 25 30 106 120 13 38 76 32 124	137 25 95 48 105 8 41 68 26	#Apprd M'graph's.5p. Do. Warrants. Aseoc Brit Ports. **Berkeley Grp *Berkeley Grp *Brittennia Sec G 10,p. *Ciogau Gold 10p. **Ciogau Gold 10p. **Ciogau Gold 10p. **DDT Group Sp *DDT Group Sp *Ennex.intni. Irlop. Enterprise Oil. **EntertainProdSerio.	158 130 205 96 73 80 22 172 26 95 48 107 8		15.6 11.0	2.6 3.9 4.5 5.9 5.9 1.8 1.8 2.8	5.9 6.4 2.0 1.8 0.8 5.6 7 4.6 3.9	7.7 10.2 14.8 16.2 24.6 8.1 14.9 17.3 10.2
120 120 6108	F.P. F.P. F.P.	13,7 12,7 20,7	132 109	137 120 88 163	∛Hunter Saphir LCA Nidgs, 20p. -¥Lon, & Clydeside LoweHo'ard-Spink ιθρ	142 124 80	+1 -2 +2	g1.59 b1.5 bg5.3 bg3.6	3.4 2.0	8.6	20.1
152 \$65 130	F.P. F.P. F.P. F.P.	29/6 	48 153 £121g £121g £121g 260 62 291g £103g 132 66 140	35 126 £12 £12 242 54 221 £101 103 128	PWS Intni. 10p. #Pacific Sales 10p #Pacific Sales 10p #Pres. Entertain 10p Sarasota Tech'gy 10p. #Spectra Auto. 10p #Spectrum 5p	35 143 4124 2124 260 54 224 2104 111 133 66 132	+7 —18	9.0 b2.4 61.88 Q886, b90.4 g1.9 u2.28 b2.0	5.4 2.7 2.2 1.0 2.0 4.1 2.2 3.5	1.0 5.0 6.3 1.9 4.3 5.2 2.1 5.2	9.7 8.1 11.5 14.0 17.1 11.8 16.6
\$380 11 11 455 145	F.P. F.P. IF.P.		220 58	378 200 56 132	子TDS Circuits 5p・ 子Telecomputing 10pl	393 ! 205 : 58 !	+5 :	u4.9i b1.0 u2.89 bgd4.6	 2,4	0.7) 7.1	_ 6,6

FIXED INTEREST STOCKS

lssue price £	mount eid up	enuno. dete	191		Stock	Closing price £	¦ ├±॒º
\$88.19 6.7640 998.162 44 92.689 45 \$100 \$97.80 11 98.641	C25 Niii £25 £25 £25 £25 £25 £25 £25 £25 £30 £10 £10 £10 £10 £26 £30 £10 £10 £30 £10 £30 £40 £5 £30 £5 £30 £5 £30 £5 £30 £5 £30 £5 £5 £5 £5 £5 £5 £5 £5 £5 £5 £5 £5 £5	27/7 25/7 3/7 13/9 5/10 22/11 15/7 24/10 	High 257g 99pg 244 261g 1002g 1002g	1814 1pm 96 1934 2554 22 95 98 27 77 1034 9314 91 103 96 2014	Stock Border & S'thern 111-2 Dob. Stk. 2014 Cap & Countrie 8: Carv. Uns Ln. 1989:84 Comfort Int. 71-2 Carv. Uns. Ln. 1989:84 EDF 113-4 Ln. 2009:13 EDF 113-4 Ln. 2009:13 EDF 113-4 Ln. 2009:13 Mariey 11-23 Deb. 2009	1814 34pm 96 1934 2534 2214 96 8818 99 27 80 1034 92 104 95 2078	-1 -12 -12 -14 -1 -11 -11 -12 -14

"RIGHTS" OFFERS

isaue So Rer		Latest 1984		4	Stock	Closing price	+ 0
μπου	Ang		High	Low			L_
50	NII	7/8	32pm	24pm	Anvil Pet, 20p	26pm	<u> -2</u>
A\$5.7	Nil	7/9	66pm		Australia & N.Z. Banking & \$1		
11 - 1	NII	<u></u> -		116 bw	Bluemei Bros	1 lg pm	!
A\$7.5		2/5	542	366	Broken Hill PropA52	370	—10
260	Nil	<u>. </u>	53pm 97	42 pm	Brown Shipley £1		
80	F.P.	\$1/8		90	Canning (W.)	94 410	-10
410	F.P.	17/8		415	Cater Allen £1	410	
235	F.P.	1/8	273 (245	Cookson 50p	245	,5
19	F.P.	17/8	23	20	Hyman (1 & J. 5p	21	
15	Nii	2/8	5pm		Kwahu 10p		,
191	F.P.	29/6	217	183	Ladbroke 10p	184	<u>-1</u>
30	F.P.	13/8	58	41	Marshall's Universal	46	
83	NII	27/7	12pm	⇒bw	Moss (Robert: 10p	5pm	
A80,65		27/6	25pm	_8pm	North Kaigurii	3pm	1— <u>5</u>
125	NII	30/7	39pm	SUPM	♣Pict. Petroleum £1	35pm	
A\$4	A82	1		īššbw	Santos A0.25c	226pm	J:
250	F.P.	9/8	340	355	- Saxon Oil	325	<u> </u>
335	F.P.	13/8	392	360	Systems Designers 5p	355	;
370	NII	04.0	24pm	15bw	Thorn EMI	19pm	
45	F.P.	24/8	55	46	Uniflex 10p	46	J
375	MI	i –	56pm	- 20pm	Waddington (J)	56pm	٠ ا

Renunciation date usually last day for dealing free of stamp duty. b Figure based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend an individend on part of capitals. yield. If Forecast dividend cover based on previous year's carrings, C Canadian, F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. If Pence unless otherwise indicated. § Issued by tender. If Officed to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶ Issued in connection with reorganisation merger or takeover. If Attoment latters (or fully-paid). (|| Introduction. ¶ Unitsted Securities Market. § Placing price. || Official London Listing. || No par value.

ACTIVE STOCKS FRIDAY'S **ACTIVE STOCKS** Ahove sverage activity was noted in Day's change — 10 + 11 + 23 + 14 + 20 - 1 + 15 — Stock cl PWS Int New RTZ Brit Aerospace Johnson Mthy Ass Brit Ports Charter Cons... Shel Trans Dixons Group Glazo Vantons Viyella Assoc Dairies BTR Britannia Sc New -13 -6 +24 -23 +8 -17 -18 -37 437 217 Brooke Bond Charter Cons. 101 225 382 160 290 108 210 572

Shell Transport

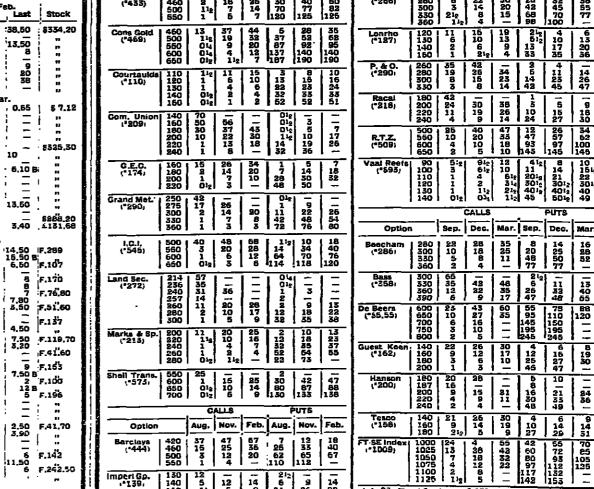
July 25. Total Contracts 3,682. Calls 1,880. Puts 1,802, Underlying security prices.

LONDON TRADED OPTIONS CALLS Aug. Nov. Feb. Aug. Nov. Feb. Oct. Jan. July Oct 43 30 20 15 30 22 14 8 4 15 2 11₂ 37 16 7 6 17 40 77 125 37 19 9 4 11₂ 44 5 32 37 20 87 12 137 7 187 Racal (*216) 30 19 9 38 26 14 70 50 30 10 1 56 37 22 13 43 30 18 Com, Union 25 10 4 2 40 20 10 5 26 14 7 3 34 20 10 18 32 26 14 7 3 20 8 8 CALLS Sep. Dec. Mar. Sep. Dec. 48 20 6 3 68 28 12 6 35 25 11 56 20 10 5 Land Sec. (*272) -3 -9 18 35 60 35 — De Beers (*\$5,55)

Britannia Sc Nw

& SUB-SECTIONS Gross Div. Yield% (ACT at 30%) Day's Change % index No. index No. | No. | Change | Chan CAPITAL GOODS (203) Building Materials (23) Contracting, Construction (30) ... Electricals (14) Metals and Metal Forming (9). Motors (17) Other Industrial Materials (17) Consumer Secure (193) Brewers and Distillers (23) Food Manufacturing (22) sehold Products (9)... Stores (46) ... Textiles (19). (Cobaccos (3) Chemicals (17). Banks (6).... Discount Hot insurance (Composité) (9) insurance (Brokers) (6) ... Herchant Banks (12) . - 463.95 464.52 467.81 467.70 445.51 11.48 257.26 259.05 258.74 282.69 288.23 12.22 501.50 495.94 496.82 492.03 459.41 - 473.41 469.72 472.08 471.85 444.51 3.96 5.99 7.62 5.14 Mining Finance (4)... Dverseas Traders (14) Ladex Day's Day's Day's No. Change High Low 986.9 - 22.9 1008.3 985.8 - 1009.8 1003.8 1009.6 1007.8 FY-SE 100 SHARE INDEX Fri July 20 Mon July 23 AVERAGE GROSS REDEMPTION YIELDS FIXED INTEREST xd adj. 1984 to date व्यं क्यां. today Day's change % Fri July 20 11.74 10.02 11.96 11.58 10.98 13.03 12.19 11.53 13.00 12.26 11.40 10.79 10.64 10.25 11.76 11.63 10.71 11.89 11.58 10.86 11.48 10.96 12.81 12.01 11.23 12.84 12.12 11.28 10.74 4 Medium 5 Coupons 6 7 High 8 Coupons 9 -0.45 112.97 1 5 years. 11246 8.08 -8.75 120.61 2 5-15 years 119.71 8.33 3 Over 15 years... 125.96 -1.04 127.29 7.27 136.77 -0.42 137.55 7.76 117.00 -0.70 120.64 5 All stocks... 12.85 12.96 12.99 12.89 12.98 13.00 5.55 101.56 +0.11 101.46 12.33 73.86 -- 1 3.57 BRITISH GOVERNMENT INDEX-LINKED STOCKS 3.97 3.77 98,68 -0.46 99.14 1.53

†Flat yield, Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is vailable from the Publishers, the Financial Times, Bracken House, Cannon Street, London, ECAP 4BY, price 15p, by post 28p Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.



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Price - Net Car Gra Pag

FT LONDON SHARE INFORMATION SERVICE

is building

AMERICANS BEERS, WINES—Cont. DRAPERY & STORES-Cont. | ENGINEERING—Continued 1984 High Low Price + ar Dry Yid £ - Gross C'er 6r's Stock A Training House Company **BRITISH FUNDS** Price + or Yarld "Shorts" (Lives up to 1001 | 401 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 1001 | 10 "Shorts" (Lives up to Five Years) 945 Exch 100ge 1487
87 Funding edge: 85.8 = 1
91 Fress 10oc 1487
97 Fress 12oc 1487
97 Fress 12oc 1487
97 Fress 12oc 1487
97 Fress 12oc 1487
98 Fress 110ge: 98
99 Fress 1480 Cv 86
98 Fress 1480 Cv 86
99 Fress 1480 Cv 86 Five to Fifteen Years Over Fifteen Years 7 Years

994-3 11 e5 11.6

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1043-101 | free: 28: 88 (2971) | 1013-1-1-1 | 4:24 507
91/8 85-5 Do. 28: 90 (2373) | 851-28-1 | 4:99 550
106-2 98-4 Do 28: 90 (28:79) | 993-1-1 | 4:77 4:47
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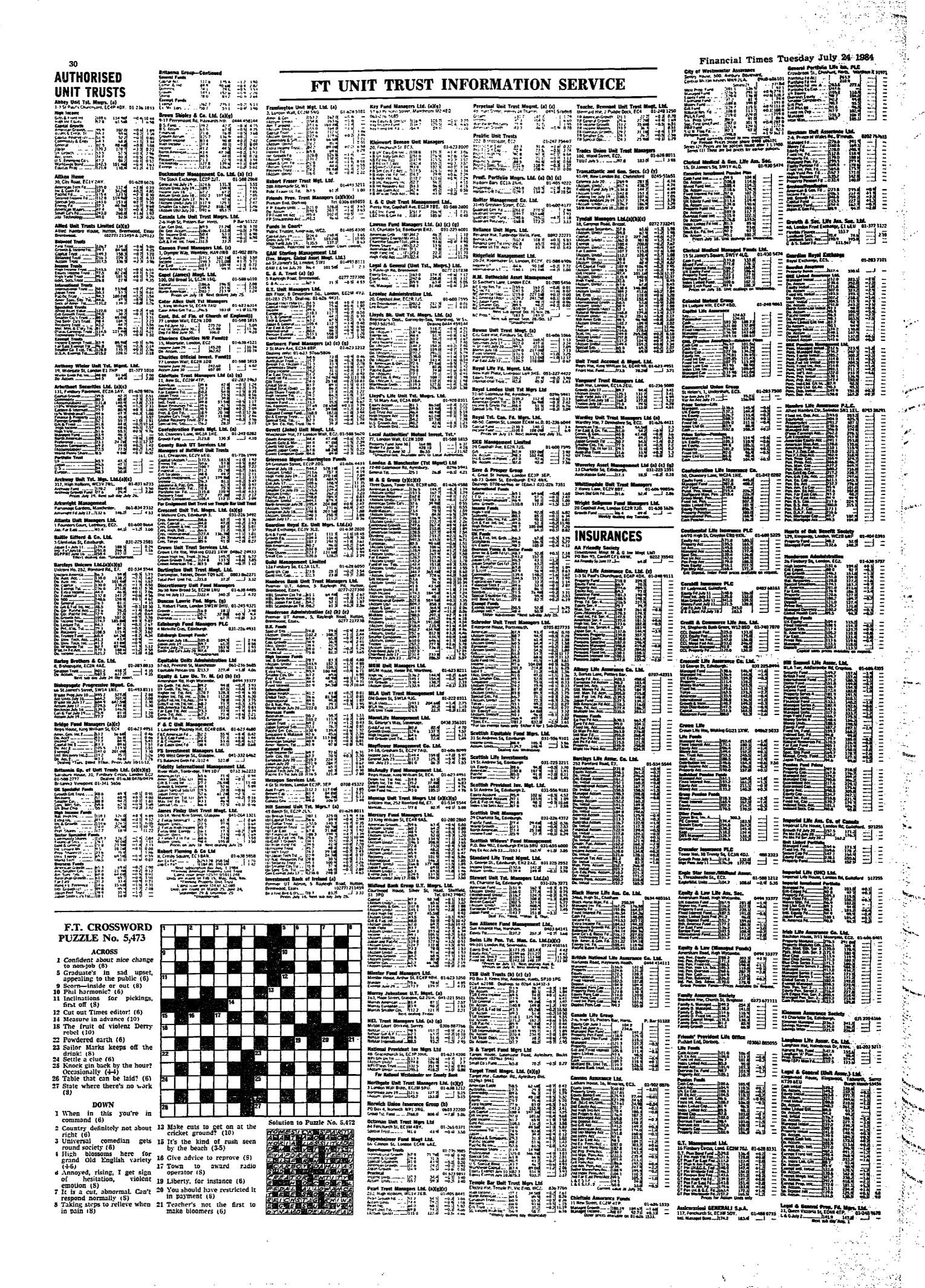
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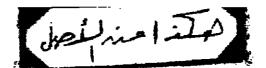
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Stocks fall fails to boost copper

BY JOHN EDWARDS, COMMODITIES EDITOR

COPPER PRICES lost ground by 3.575 to 56,550 tonnes, on the London Metal Exchange helped sustain LME zinc values. yesterday, in spite of yet The cash price remains at a another fall in warehouse stocks. The cash price for higher grade copper closed renewed squeeze on supplies £7.75 down at £1023 a tonne, while the three months quotately available to the while the three months quotate. while the three months quotation lost £6.25 to £1039. The decline in LME warehouse stocks last week of 12.250 tonnes reduced total holdings to 194,075 tonnes —

the first time they have been fallen below 200.000 tonnes since November 1982. However, the stocks decline was in line with market expectations and had only a limited impact on price movements. It was soon overridden by the weak trend in gold, fears of a higher interest rates, and an easier opening on the New

Milk law ends 'intolerable' delays says Butler

BY OUR COMMODITIES STAFF

FURTHER DELAY in the tion of tenant farmers who implementation in Britain of might have difficulty persuad-the EEC milk quota scheme, ing their landlords to allow which was given parliamentary approval last week, would have been "intolerable," Mr Richard Butler, president of the National Farmers' Union, said

"Detailed regulations milk quotas have been a bitter pill to swallow, but dairy farmers had to know where they stood." he said at the openthey stood," he said at the open-ing day of the Royal Welsh whose land would be affected. Show at Builth Wells.

Sir Richard said he was about the willingness of many fiercely critical of some aspects landlords to give this approval.

DRIAT AUANOFO

market. The steady tone was encouraged by latest figures issued by the European Zinc Institute showing falls in world and European smelter stocks in

Lead was hit by a smaller than expected fall in warehouse stocks, which declined by only 350 to 64,925 tonnes. Cash lead lost £9.50 to £370.50 a tonne. A fall of 375 tonnes in aluminium stocks to 144,050 tonnes also disappointed the market. Nickel holdings were down by 450 to 23,070 tonnes. n easter opening on the New but tin stocks rose by 885 to ork copper market.

A fall in zinc stocks, down 304,000 to 49,899,000 unces.

ing their landlords to allow them to take up the "golden handshake" offered by the Gov-ernment under the so-called outgoers scheme.

Under this scheme dairy farmers will be able to relinquish their milk quotas in return for a share in a £50m fund. However, tenants will have to win the approval of Sir Richard was clearly dubious landlords to give this approval.
"Quotas are here," he said. "Our task is to minimise the

GAS OIL FUTURES

Dairy cow slaughters 'will boost beef output'

By Richard Mooney

SLAUGHTERINGS of surplus dairy cows are likely to push 1984 UK beef output to the highest level for nine years, according to the Meat and Livestock Commission.

In the latest issue of its fourmonthly UK Market Review the MLC forecasts total beef and veal production in 1984 at 1.15m tonnes, up 130,000 tonnes from 1983 tonnes from 1983,

Cow and bull slaughterings in the first quarter of this year totalled 232,000 head, the review says, up 21 per cent from the same 1983 period. The imposition in April of milk production quotes has resulted in duction quotas has resulted in a further sharp rise in slaughterings. The MLC estimates that April/May slaughterings were

per cent higher than a year

Beef and veal exports are projected to reach a record of over 200,000 tonnes in 1984. Imports have fallen sharply meanwhile, partly because of the drought in Botswana. Total supplies available to the UK market are put at 1.1m tonnes, up 4 per cent from last year, and a further 8 per cent rise is forecast for the first half of 1985.

The review predicts a record

lamb production of almost 14m head in the 1984/85 season and total mutton and lamb produc-tion is put at 295,000 tonnes. 3 per cent more than in 1983. Imports are expected to be "a remarkably low" 145,000 tonnes in 1984 and still less next year. Total supplies of mutton and lamb this year are forecast at 407,000 tonnes, slightly less than in 1983.

Pork production in the UK is expected to decline by 9 per cent this year and bacon and ham production by 4 per cent. reflecting the continuing decline in sow numbers.

Robert Cottrell in Tokyo reports as the Rice Price Council meets

Rice farmers may profit from shortage

A SHORTAGE of rice in Japan has been geared to cutting rice bad harvests since the pro-sounds as probable as a sand production acreage while hold- gramme started, cutting the dearth in the Sahara, or an ment of South Korea to import 150,000 tonnes of unpolished rice, with first deliveries scheduled for later this month. The cargoes will be Japan's

first rice imports in 17 years. to the professed outrage of the country's conservative and fiercely protectionist farm lobby. But, while the farmers may display public anger, they have probably emerged as net gainers from the affair in terms of public relations and political lobbying power. Farmers will be trying to

hammer home their political advantage today, as the Government's Rice Price Coun-cil meets for the first of two days of deliberation on fixing

the 1984 producer-price.

The quantity of rice being imported is a tiny fraction of Japan's 11m tonnes annual consumption. The symbolic impact is likely to be much larger on the Government's agricultural policy, which in recent years

Uranium output

Ing down producer-prices,
Self-sufficiency in rice is a generally accepted social objective in Japan. In spite of the it was discovered that the older underprovision of ice at the South Pole. But the Japanese Government, to its acute embarrassment, has just signed an agreement with the Government of South Pole. The south Pole is a series of the south Pole in Japan. In spite of the country's present prosperity, memories linger of the hunger and polestic the south Polestic Po and poverty which followed defeat in the Second World

> As a result, government subsidies and a protected domestic market have sustained through the post-war years an inefficient rice-farming sector, which by the mid-1970s was producing far more rice than Japanese consumers wanted to buy-at least at the high prices which farm lobbyists negotiated with the Government,
> Japanese consumers now pay
> three to five times the world

free-market price for their rice. The Government, meanwhile, Allocated in its 1983-84 budget Y-400bn (£1,2bn) for price support programmes, and Y-340bn for programmes to

reduce acreage.
The acreage reduction programme—to cut producing paddies by 20 per cent over 10 years—began in 1978, when Japan's rice stockpile reached 6.5m tonnes. Poor weather has, however, meant four successive

stockpile to 900,000 tonnes by rice in the stockpile, dating back to 1978, had been con-taminated by bromine used for fumigation. Hence the need for

imports.
Japan's ruling Liberal Democratic Party cultivates the
"farm vote," which is given a
disproportionate influence by the preponderance of small rural constituencies. Zenchu, the main farmers'

lobbying group, wants a 7.7 per cent increase in the rice price this year, compared with just 1.75 per cent last year. With each percentage point increase costing the Government a potential Y14bn, the farmers are highly unlikely to get their full demand. Although the rice

Mr Yasuhiro Nakasone, the Prime Minister, who will campaign for re-election as party leader in November this year, has recently been making conciliatory overtures to farmers, saying that the Government may encourage some idled rice-

production next year. It is aiming to rebuild the rice stockpile to 1.5m tonnes to avoid another shortfall, though farmers favour a 2m tonne leveL

The political advantage which Japanese rice-farmers have been afforded by the shortage is in defilance of longer-term trends. Japanese per capita consump-tion of rice is falling, from 118 kg in 1962, to 76 kg in 1972, to a projected 65 kg in 1990.

Japan's farms are inefficiently small, averaging three acres, compared with 431 acres in the U.S. Five out of six Japanese farmers are part-timers, holding down other jobs. Half are aged over 55; one-fifth are over

Only Switzerland gives more aid to its farmers than Japan. Agricultural protectionism is shortage must have increased the chances of a more than merely nominal raise this year.

Mr Yasuhiro Nakasone, the distribution, particularly with the U.S... The government has been try-ing to keep everybody happy by balancing supply and de-mand. Following their recent embarrassment, politicians are now more likely to err on the

India urged to

import cotton

Pairiwala, president of the Northern India Cotton Textile

Mills Association, said the association has asked the

Government to import cotton to overcome an acute domestic

shortage that has shut 75 to 80 textile mills.

He said India's raw cotton

NEW DELHI - Mr G.

Supplies concern boosts cocoa price

CONCERN over the short-term availability of good quality West African supplies boosted cocoa values on the London futures market again yesterday, and the September position ended £57 up on the day at £1.839.50 a tonne, near the day's

Dealers said recent offers of Chano cocoa beans for nearby delivery appeared to have dried up, making for an even tighter physical supply situation.

• POTATO prices rose sharply on the London futures market yesterday, reflecting fears of drought conditions in the main growing areas. The April posi-tion jumped by £9.40 to £134.80

• SUGAR beet crop for 1984 for 1984 will produce over 1m tonnes of sugar despite setbacks caused by the weather earlier this year, according to the British Sugar Corporation.

Farmers in the eastern counties were forced to replant over 17,000 acres during April because seedlings were ruined by heavy rain, but the crop is now developing well, the BSC said.

• WASHINGTON-The Commodity Futures Trading Commission has set August 21 to consider a Commodity Exchange Inc proposal to trade commodity options on silver futures. It has set August 24 to con-sider a Minneapolis grain ex-change proposal to trade a futures contract on white wheat. INDIA plans to challenge Brazil as the world's largest castor oil exporter by exporting about 90,000 tonnes, worth Rs 1,25bn, in 1984/85 ending March, the Commerce Ministry

said. It said 1983/84 exports were a record 79,000 tonnes, worth Rs 1.05bn, up from about 50,000 tonnes a year earlier.

SILVER 5.000 troy oz, cents/troy or

July
Prev Aug
52.95 Sept
53.20 Dec
53.75 Jan
55.45 March
56.05 May

Close High Low 716.0 719.0 712.0 718.6 728.0 717.0 747.0 750.0 739.0 754.7 770.3 772.0 762.0 766.9 793.0 780.0

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· MERGS

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FRANKFURT -- The West's uranium production should rise to 39,600 tonnes in 1984 from last year's 36,680 tonnes and will thus be well above the 35,700 tonnes needed to fuel its nuclear reactors, Nukem GMBH, an international association of processors and power utilities,

rise forecast

Canada will be the largest global uranium producer this year, expected to produce 10.650 tonnes after 7.311 in 1983, Nukem said. This will push U.S. produc-tion volume into second place,

BRITISH COMMODITY PRICES

Fish landings decline

FOREIGN FISHING vessels returns were up 8 per cent to increased their share of land- £280.3m. ings at UK ports last year. according to figures published by the Ministry of Agriculture, Fisheries and Food yesterday. UK vessels landed 746,000 tonnes, 4 per cent less than in 1982, but landings by foreign vessels were up 17 per cent at

75,000 tonnes. Total landings at UK ports were down 2 per cent at 821,000 tonnes, but their value rose 7 age fish farming projects that per cent to £308m. Most of the are feasible and profitable and increase in value was won by the UK boats whose gross

summer trading in the physical market, reports CCST commodities.

p. per kilo deadweight

£ per tonne

Sales: 1,799 (745) lots of 40 tonnes.

SOYABEAN MEAL

E per tonne;
August 182.00 87.00 — 3.76 136.00
October 141.00 41.80 — 2.10 142.00
Dec 147.00 47.40 — 1.85 147.50
Feb 182.50 55.80 — 0.85 153.00
Apr. 152.00 55.00 — 1.35
August 182.50 55.50 — 5.50
August 182.50 55.50 — 7.5

Sales: 17 (40) lots of 100 tonnes, 66 (11) lots of 20 tonnes.

LONDON DAILY PRICE—Raw sugar PSI.00 (\$130.00), up £1.50 (up \$1.50), a tonne for July/Aug/Sear delivery. White sugar \$150 00, up \$3.50.

The market was unable to consolidate at the higher levels reached during friday orght's kerb and prices fell backsome \$3.00 before support was unaward reports. C. Czarnikow.

Yest'day's Previous Business close close done

S per tonne

Sales: No. 6 2.952 (2.073) lots of

covered, reports C. Czarnikow.

SUGAR

RUBBER

Month ·

POTATOES

f280.3m. Foreign vessels' returns were up only 1 per cent at £28.5m. ● EEC grants totalling more than £3m have been allocated to Britain to modernise its inshore fishing and fish farm-

ing industries.

The Commission said the awards were to schemes designed to modernise the fleet without increasing capacity in sensitive areas and to encourmeet the needs of the region concedned."

output, particularly of short and medium staple varieties, is likely to drop further in 1984/85 starting September due to adverse weather and pest attacks in Punjab, Haryana and Pajarthan

AMERICAN MARKETS =

as traders appeared to be concerned about the adequacy of nearby supplies. Cocoo ratiled on rumours of quality problems in recent very Coast deliveries. Cotton continued under pressure on the fact of export domand and lagging interest by U.S. mills. Soyabeans were mixed with new cropments closing higher on forecests of light precipitation for this week. Wheat was also mixed with local and considerable with the continued in the nearby months. Maize was lower despits repeated ratios of unfavourable weather forecasts. NEW YORK, July 23
Precious metals continued under pressure, unable to sustain ralines despite bonds having recovered, reports Heinhold Commodities. Copper prices were lower on heavy arbitrage activity even though considerable improvement in market fundamentals has already taken place. Aluminium traded lower but finished at the day's highs on trade support. Sugar declined as local selling na dtrade hedging more than offset speculative bargain hunting. Coffse closed sharply higher on short-covering and dealer buying NEW YORK, July 23

Dry weekend weather, atronger physical prices and a slight rise in Dutch futures served to push prices up sharply. Contract highs of £135.00, basis April, were tested and broken on the opening, sparking off stop-loss buying which further increased levels. Gains of £12.60 were registered before profit-taking left prices lower for the remainder of the session, reports Coley and Harper.

Yesterdy's Previous Susiness close close Done Nov..... 101.00 94.50 35,68.99.5 Feb 108.50 103.50 111,0-110,0 April 134.80 125.40 38,6 161,0 May 141.50 133.80 141,5-139,6 Nov.... 77.00 78,00 41,5-139,6

-INDICES -FINANCIAL TIMES (Base: July 1 1952=100)

DOW JONES Dow July July Month Year Jones 20 19 ago ago

MEAT/FISH

MEAT COMMISSION—Average fat-stock prices at representative markets. GB—Cattle 95 29p per kg lw (+2.12). GB—Pigs 83.12p per kg lw (+4.05).

SMITHFIELD—Penca per pound, Beef —Scotch killed sides 76.0 to 82.0: English hindquarters 94.0 to 99.0, forequarters 53 0 to 56.0 Veel—Dutch hinds and ends 120.0 to 136.0. Lamb—English small 70 0 to 76.0, medium 65.0 to 72.0, heavy 66 0 to 68.0: Imported: New Zealand PL 66 3 to 57.8, PX 59.5 to 60.8, YL 63.0 to 64.8 Pork—English under 10016 61.5 to 58.0, 100-12016 52.0 to 56.0, 120-18016 46.0 to 54.0.

Aug 126.00.26.00 (24.00.24.40 127.00.25.40 Oct. 132.64-33.00 123.80-30.00 134.00 30.00 Dec 140.80 41.00 184.20.36.10 134.00 30.00 Mer 157.80-38.00 184.50-36.10 141.80 38.40 Mer 157.80-38.00 184.50-36.10 134.20 60.80 Mer 171.80-36.00 184.50-36.00 184.20 60.80 Mer 171.80-76.00 185.40 60.00 172.00 70.00 Oct ... 180.00 80.60 177.00-77.60 160.40-78.00

WOOL FUTURES LONDON NEW ZEALAND CROSS-BREDS-Close (in order buyer, seller, business), New Zualand cents per kg.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

Close High Low 52.80 — — 53.60 53.40 52.55 55.30 54.90 54.50

Aug 482 seller only, 481-480; Oct 496, 500, 496-491; Dec 497, 504, 506-497; Jon 502, 505, 505-498; Mar 511, 512, 511-508; May 515, 516, 516-514; Aug 526, 530, 529-525; Oct 527, 530, 529-525; Dec 527, 530, 529-525; Jan 528, 531-528, Sales; 222. SYDNEY GREASY WOOL—Close (in order: buyer, selfer, business). Australian cents per kg. July 542.0, 550.0, 553.0-542.0; Oct 586.0, 566.0, 570.0-566.0; Dec 570.0, 571.0, 573.0-570.0; Mar 580.0, 581.0, 584.0-581.0; May 590.0, 591.0, 593.0-590.0; Jly 597.0, 600.0, 600.0; Oct 585.0, 595.0, untraded; Dec 585.0, 600.0, u/L. Sales: 141.

Sales: 55 (40) lots of 50 carcases 3,250 kilos. COTTON

LIVERPOOL—Spot and shipment sales amounted to 200 tonnes. Fair offsale with renewed interest in Middle Eastern qualities. Occasional support came in African growths. TEA AUCTIONS

LONDON TEA AUCTION-22.887

LONDON TEA AUCTION—22,887 packages were on offer, including 4,850 packages in the offshore section. A good demand prevailed with the emphasis on brighter teas. Best coloury medium East Africans met good competition at deerer rates but plainer sorts were irregular and sometimes 2-5p lower. Central Africans sold readily with better liquoring lines often several pance higher, others tending easier. Ceylons came in for good enquiry, particularly the brighter descriptions and prices were generally dearer. Offshore tess were well supported at firm to dearer rates, Quotations; quality 278p a kg (275p), medium 240p a kg (240p), low medium 200p a kg (202p). PHYSICALS — The London market opened unchanged, attracted very little interest throughout the day and closed dia and easier, reports Lewis and Peat. Closing prices (buyers), spot 67.50p (68.00p); Aug 72.50p (72.25p); Sept 73.25p (75.25p); The Kuals Lumpur August tob price for RSS No 1 was 206 0 (207.0) certs a kg and for SMR 20 198.5 (197.5).

FUTURES—Close (buyer, seller, business). RSS No. 1 (£ per tonne); Aug 665, 685, nil; Sept 670, 595, nil; Oct 680, 695, nil; Nov 699, 700, 700. Dec 705, 711, nil; Jan 710, 724, nil; Apni 740, 750, nil; March 700, 740, nil; Apni 740, 750, nil; 1985 Jan-March 724, 725, 723, nil; 1985 Jan-March 724, 725, nil. Sales; 4 (1) lots of 5 tonnes, 2 (6) lots of 15 tonnes.

July 20 July 15 M th ago Year ago 300,48 301,89 | 301,76 | 281,21 July 20 July 19 M'th ago Year ago 1894.2 1896.2 1927.5 1868.9

MOODY'S July 23 July 20 M'th ago |Yearago 1894.4 | 1894.2 | 190.21 · 1883.0 (Base: December 31 1974=100)

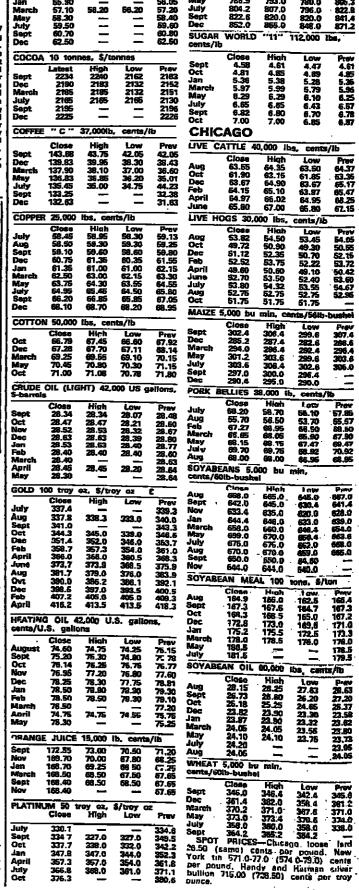
Spot 139.71 131.02 136.65 148.16 Fut 126.64 127.76 136.54 148.2 (Base: December 31 1974 ~ 100)

COVENT GARDEN—Prices for the bulk of produce, in sterling per package unless otherwise stated. English produce: Apples—Per pound. Sramtey 0.18-0.30. Genealier 0.26. Gooseberries—Per pound 0.15-0.16. Levellers 0.30-0.50. Cherries—Prices—1-1b 0.15-0.25. Rapperries—1-1b 0.15-0.25. Blackcurrants—1-1b pounets 0.25-0.30. Redcurrants—1-1b pounets 0.25-0.30. Redcurrants—1-1b pounets 0.25-0.30. Multiplications—Per pag 56-1b, new 3.20-3.80. Multiplications—Per pag 56-1b, new 3.20-3.80. Multiplications—Per pound, open 0.50-Mushrooms—Fer pound, open 0.50-0.75, closed 0.90-1.00. Lettuce—Per tray round 1.00, Cos dozen 1.00-1.20; Webb's 1.00; Iceberg 12s 4.00, 15s 3.00.

Webb's 1 00; Iceberg 12s 4.09, 15s 3.00.
Carrots—38-1b new crep 1.50-2.50.
Greens—Kent 30-1b 1.10-1.20. Primo 1.50-1.60. Tomestoes—Tray 12-1b 3.50-3.50. Sugar Peas—1.00-1.20. Cveumbers—Tray 1.00-1.80. Cauliflowers—Dezen, Lincs 3.00-3.60. Spring Onione—Busch 0.14-0.15.
Celery—2.50-3.50. Watercress—Ice pack 20s 3.40-3.50. Selad—Crispa 16s 1.00-1.10. Courgettes—Per pound 0.30-0.40. Stock Basins—Per pound 0.30-0.40. Peas—Per pound 0.10-0.12. Bestroot—Per bunch 0.20. bags 28-lb 3.00-3.50. Onions—55-lb bag 8.00-8.80. Calibress—Per pound 0.35-0.40. Tate and Lylo delivery price for granulated basis sugar was £202.00 (£200.00) a tonne for export. International Sugar Agreement—(U.S. conts per pound fob and stowed Caribbean ports). Prices to July 20: Daily price 4.37 (4.32): 15-day average 4.61 (4.66).

334 7 337.7 347.8 357.3 366.8 376.3

327.0 338.0 347.0 357.0 368.0



applied to the UK. In particular he was anxious about the posi-

PRICE	CH	AN	GES				
in tonnes unless stated otherwise	July 24 1984	+ or	Month ago		July 24 1984	+ or	Month ago
Metols Aluminium Free Mkt. Gopper Cash n Grade, 5 mths Cash Cathode 3 mths. Gold troy oz Lead Cash, 5 mths Nickel. Free Mkt.	. \$1185/1215 	-15 -7.75 -265 -11.5 - 9 -575 -9.5	\$1285;315 '£973 £994,25 '£976 :£393 \$369,25 £359,5 £359,5	Oils Cocont (Phili Groundnut Linseed Crude. Palm Molayan. Seeds Copra Phil SoyabeaniU.S.) Grains Barley Fut. Nov. Maize Wheat Fut. Nov. No2 Hard Wint.	\$570z \$277,5u £109,80	30 +4.6 0.15	\$830 \$830 \$308 £106,3 £162,5 £107,4
Palladium oz Piatinum oz Quick Silveri Silver troy oz 5 mths Tin cash 5 mths Tungsten	\$528,25 \$295,305 \$449,46p \$60,65p \$29370,5 \$29320,5	+ 4 +8.905 -13,55 -12,5; -2	\$371,5 \$300,610 630,00p 6445,3p £9272,5 £9223,5	Other commodities Cocoa ship't" Futures Sep. Coffee Ft.Sep. Cotton Aindex Gas Oil Aug Rubber (kilo) Sugar Irawl Woolt'pa 64s Woolt'pa 64s	£1950 £1959,5 £2235 77.80c \$221,75 57.5p £91.5yz 468p klic	+57 +57 +31,5 -5,25 -0,5 +1,5	£1874 £1808,5 £2148,5 82,40c 8254,75 61,5p £106 474pkik
Wolfram22 04 b Zinc	£665.5 £662.5	+0.5 +1	\$85.89 P617.5 £626.75 \$1050/1090	# Unquoted. w Aug. u Aug- 75 Ib flask. * G c Cents per po	Sept. y J hana coo	uly-Au	g. † Pe

I ONDON OU

LONDON OIL	As physical prices fell year low, the gas oil mark about a dollar lower and common down until early					
SPOT PRICES	Short-covering and steading York kept the market a sh through most of the Ronewed trade selling on pushed values to the the lor					
Latest + or —	Premier Man. Yest'day's: + or Month close —					
Arabian Light	S U.S.					
PRODUCTS-North West Europe (8 per tonne)	Jan 236.25 -5.5 Jan 237.75 -4.75 Feb 235.00 !-5.25					
Promium gasoline 258-261 - 2.5 Gas Oil	March 23.150 -8.66 Turnover: 3,687 (3,057) I tonnes.					
	·					

GOLD MARKETS

Gold fell \$51 an ounce from \$3341-3352 from \$3411-3421. Friday's close in the London bullion market yesterday to finish at \$335-336. This was its lowest closing level since August 1982. The lower trend reflected the dollar's continued strength and after opening at \$3331-3341, the metal traded between a high of \$336}-337 and a low of \$331-

332.
In Paris the 121 kilo bar was fixed at FFr 95,100 per kilo (\$335.97 per ounce) in the afternoon compared with FFr 95,000 (\$335.56) in the morning and FFr 97.750 (\$346.85) on Friday afternoon.
In Frankfurt the 124 kilo bar was fixed at DM 31,040 per kilo April...

Month | Yest days | + or | Business (\$336.38 per ounce) against DM Turnover: 381 (397) lots of 100 troy 31,910 (\$348.00) and closed at ounces.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was \$333.0 from

In Zurich gold finished at \$3341-3351 from \$3411-3421.

LONDON FUTURES

July 20 July 23 Gold Buillon (fine ounce) Gold and Platinum Coins July 23 (£35½,-262½), King Sov 860 81½ (£60¾,61½) (£135.135¾) Victoria Sov 880 81½ (£60¾,61½) (£135.135¾) Victoria Sov 880 81½ (£60¾,61½) (£270½,28½) (French 202 863¾,65½ (£484,49¾) (£270½,28½) (50 Pesos Mex3416.418 (£316½,317) (£69½,60½) (100 Cor. Aust 8327.331 (£248.251) (£69½,60¼, [820 Engles 8665.75 (£428½,436) (£355½,371¼) [Noble (Plat.) \$337½,341½(£256-258¾) Krugrnd 5546-3461₂ 12Krug. 5178 179 14 Krug. 5390:-911₂ 110 Krug. 5390:-911₂ 110 Krug. 5391₃-371₄ Mapleteal 53451-3461₄ New Sov. 579 791₂ 1₂ New Sov. 547 49

EUROPEAN MARKETS

Wheat—(U.S. S. per tonne): U.S. Sapt 152.50, Oct 155.50, Nov 157.50. U.S. two northern spring 14 per cent protein Aug 178, Sept 174. Oct 175.50, Nov 179.50, Dec 182. U.S. north spring 15 per cent protein Sept 177.75, Oct 181.50, Nov 183.50. U.S. three hard amber durum Aug 20/Sept 10 181, Sept 181. Oct 182.75, Nov 185, April/May 194. Canadam one western ambor durum Aug 191, Sept 188.50, Oct/Nev 193. Nov/Dec 195. Maize—(U.S. S. per tonne): U.S. three yellow Gulfports afloat 276, Aug 285, Dec 250, 251, Juny 261, 50, Aug 187, Sept 175, Oct 286, Nov 288, Dec 250, April 265, Nov 182, Sept 177.75, Oct 182.75, Nov 188, April/May 194. Canadam one western ambor durum Aug 191, Sept 188.50, Oct/Nev 193. Nov/Dec 195. Maize—(U.S. S. per tonne): U.S. three yellow Gulfports afloat 276, Aug 287, Edg. Dec 250 25, Jan 254, 25, Feb 259, May 269, 50, May 269, 50, Sept 186, Sept 171, 50, Oct 280, Nov 288, Dec 250, 251, Jan 254, 25, Feb 259, May 269, 50, May 189, Sept 180, Sept 191, 50, Oct 289, Nov 288, Dec 250, April 265, 50, April 265, O. May 269, 50, Sept 191, 50, Oct 192, Mov./Mar 196, 187, Aug 187, Sept 191, 50, Oct 192, Park 191, 50, Oct 193, Aug 187, Sept 191, 50, Oct 193, Oct/Dec 198, sellers. Park 191, Oct/Dec 193, Oct/Dec 198, s ROTTERDAM, July 23

two yellow Gullports allost 276, Aug 271:50, Sept 271:50, Oct 248, Nov 248, Dec 250 25, Jan 254 25, Feb 259, Mar 262:50, April 265 50, May 269 50 sellers.

BASE METALS BASE-METAL PRICES were easier on the London Metal Exchange following the decline in precious metals and a weak opening on Comex. Copper rose to E1,048 in early trading, boosted by the further steep fall in LME stocks but fell back to £1,036 on the Comex opening before closing at £1,041.25. Stop-loss selling depressed lead to £353 before trade support prompted a closing level of £369. Zinc was finally £663.5, altuminium £907 and nickel £3,581. Buffer stock support held forward standard tin at £9,330. COPPER

BASE METALS

High Grde £ £ £ Cathodes 1035-6 +7.5 1025-7 -11.5 Cash 1041-3 -9 Settlem't 1036 +7 -

Amalgamated Metal Trading reported traded at £1,030.50, three months £1,047. 48, 47, 47.5, 47, 46.5, 45 5, 45. Cathodes: Cash £1,035. Kerb: Higher Grade: Three months £1,045, 45.5, 45, 44 5, 45. Alternoon Higher Grade: Three months £1,035. Three months £1,035. 37, 36, 36.5, 37 55, 38, 38 5, 39. Kerb: Higher Grade: Three months £1,038, 40, 39, 39.5, 40, 40.5, 41. Turnover: 44.375 tonnes. U.S. producers: 63,00-88.00 cents per cound Turnover: 44.375 tonnes. U.S. pro-ducers: 63.00-68.00 cents per pound.

TIN

Standard. Cash 9370-80 -37.5 9365-75 3 months. 9325-7 -7 9320-1 Settlem't: 9380 -35 Straits E. \$29.15 5 242,00-37.75 Tin: Morning: Standard: Cash £9.380, three months £9.330. Higher Grade: Cash £9.410, 15. Kerb: Standard: Three months £9.325. Alternoon: Standard: Three months £9.321. Higher Grade: Three months £9.325. Kerb: Standard: Three months £9.330, 28. Turnover 2,445 tonnes. lots of 100

ZINC £ £ £ 668,5-9:-2,75 665-6 665.5 -2 662-3 669 -8 -Zine—Morning: Cash £668, 68 5, three months £662, 63, 54, 65, Kerb: Three months £665, 83, 62, 61,5, 61,60, Alternoon: Three months £660, 59, 60,

63, 64. Turnaver: 10.600 tonnos. U.S. Prime Western: 50.50-50.75 cents per pound. **ALUMINIUM** Spot ... 875-5 -75.5 880-5 months 889.5-900.5 -7 905-0 £ £ 880-1 -2 905-6 -1

Aluminium Morning: Cash 6875, 75.5, three months £899, 88, 97, 96, 59, 900, 900 5, 900, Kerb: Three months £900 1, 3 4, 6, 7, 6, 5, Kerb: Three months £900 1, 3 4, 6, 7, 6, 5, Kerb: Three months £906, 7, 8, 9, 8, 7, 6, 5, 4, 5, 6, 7 NICKEL

a.m. + or p.m. + or Official - Unofficial -t

SILVER

Silver was fixed 13.2p an ounce lower for spot delivery in the London bullion market yesterday at 544.95p. U.S. cent equivalents of the fixing levels were: spot 719.6c. down 19.4c; three-month 740.6c, down 19.4c; sixmonth 764.1c, down 21.4c; end 12month 812.5c, down 20.7c. The metal opened at 540-543p (713-717c) and closed at 542-545p (715-718c). Aug ... 115.0 114.9 115.1·15.0 Oct ... 119.4 119.2 119.4·119.2 Nov... 121.1 121.0 121.1·121.0 Feb ... 118.1 117.6 118.2·117.8 April ... 117.6 117.9 117.8·117.8 June ... 117.3 117.1 ...

SILVER Bullion + or L.M.E. + or fixing - p.m. - Unoffial

LME — (2,000 oz contract): Cash 543p (552.5p); three months 557.75p (568.25p), Turnover: 1. (0), Turnover: 98 (73) lots of 10,000 oz.

COCOA Futures opened £20 higher, as due, but rallied strongly during the afternoon and closed at the highs more than £30 up on the day. Producers continue to be side-lined but cocca beans traded actively in the second-hand mar-

Salas: 4,910 (3,389) lots of 10 tonnes, ICCO Indicator prices (U.S. cents per pound): Daily prices for July 23: 102 45 (100 33); five-day average for July 24: 100.44 (59.87). COFFEE

During a quiet opening light com-mission house buying produced geins of £14-17, reports Drevel Burnham Lambert. Prices remained fixed in a tight range until trade and dealer sup-port extended gains. Commission house selling and profit-taking tended to restrict the advance before late short-covering pushed prices higher

COFFEE Yesterd'ys + or Business
Close Done July 2201-05 +13.0 2207-93 Sept. 2232-34 +31.5 2240-14 Nov. 2260-61 +42.0 ,2365-27 January 2214-15 +35.0 2220-58 March 2060-62 +14.0 2070-56 May 2010-20 1+4.0 2025-20 July 1990-05 +17.5

Sales: 2,991 (1,754) lots of 5 tonnes, ICO indicator prices (U.S. cents per pound) for July 20; Comp daily 1979 140,10 (140,11); 15-day average 142,05 142,42).

GRAINS

The markets traded 30p lower on light harvest pressure but wheat quickly rose in quiet treding while berley was fairly stagnant, reports Mulrace.

Business done—Wheat: Sept 108.25-780, Nov 11150-1.00, Jan 114.70-4.35, Mar 117 60-7.20, May 120 65-20-40, Sales: 163 lors of 100 tonnes, Barley: Sept 106 80-6.75, Nov 109 85-9.65, Jan untraded, Mar 115.75 only, May untraded. Sales: 68 lots of 100 tonnes.

WHEAT Yesterd'ys + or:Yesterd's + or Mnth! Sept. 108.20 -0.20 106.75 -0.20 Nov... 111.30 109.80 -0.16 Jan 114.70 -0.16 112.90 -0.26 Mar 117.45 -0.05 115.75 -0.55 May 120.45 +0.10 118.10 +0.10

LONDON GRAINS—Wheat: U.S. dark northern apring No 1 14 per cent Sep 142.75, Oct 144.50. Nov 146.75 transhipment east coast. English teed tob Sep 111. Oct 115.50 sellers east coast. Barley: English feed fob soct this week 110, Aug 103 50 sellers Scotland. Sep 109.75, Oct/Dec 114.50 sellers coast coast. Best unquested. coast Rest unquoted.
HGCA — Locational ex-farm sport
prices. Feed Barley: Eastern 106.00,
E. Mids 103.20, N. East 104.00, The UK monetary coefficient for week beginning Mondey, July 30 (based on 4 days' exchange rates) is expected to romain unchanged.

PIGMEAT Prices remained firm in spite of the docks s extrement. Thin volume and narrow ranges reflected the duly

لمكذا مندلغطل

Financial Times Tuesday July 24 1984

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES =

f Opportunity

44.00

Dollar continues its advance

There were two major events for the foreign exchanges to digest yesterday. One was the settlement of the UK docks strike, although this was heavily discounted in the level of the pound over the weekend, after Friday's agreement in principle between dockers' leaders and the employers.

This did help sterling to withstand the other chief event, however, which sent other major currencies to record lows against the dollar. Growth in the U.S. economy has been very strong during the first half of the year, and the flash estimate a few weeks ago put second quarter gross national product growth at 5.7 per cent. Yesterday's upward revision to 7.5 per cent at the upper end of expectations, and gave the dollar another boost to the highest level for 10 years against the D-mark; a

upward revision to 7.5 per cent at the upper end of expectations, and gave the dollar another boost to the highest level for 10 years against the D-mark; a seven-year peak against the Swiss franc; record levels against the Swiss france france. he French franc, Italian lira and Scandinavian currencies, and the highest for nearly a year against

highest for nearly a year against the Japanese yen.

The U.S. currency rose to DM 2.8760 from DM 2.8580 against the D-mark; SwFr 2.4410 from SwFr 2.4175 against the Swiss franc; FFr 8.8275 from FFr 8.7625 in terms of the French franc; and Y246.90 from Y244.85 against the yen.

ago.
The dollar was fixed The dollar was fixed at DM 2.8795 against hte D-mark at yesterday's fixing in Frankfurt up from DM 2.8551 on Friday and the Bundesbank sold \$51.9m at the fixing. Yesterday's level was the highest fixing since January 1974. Fears of an upward revision in U.S. second quarter GNP, which later proved to be justified, ensured a strong demand for the dollar. An appearance by Mr Paul Volcker, chairman of the Federal Reserve Board, in front of the U.S. Senate Banking Committee also pushed Banking Committee also pushed the dollar firmer on fears of an endorsement to recent rumours of a tightening monetary stance

2.8760 to 2.5535. June average 2.7393. Trade weighted index 124.1 against 123.5 six months

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu July 27	% change from control rate	% change adjusted for divergence	Divergence
Belgian Franc	44,9008	45,3219	+D.94	+0.88	±1.5447
Danish Krone	8.14104	2,18073	+0.49	+0.43	± 1.6425
German D-Mark	2.24184	2.23877	- D.14	-0.20	<u>+</u> 1.0642
French Franc	6.87456	6.87127	-0.65	-0.11	±1.4052
Dutch Guilder	2.52595	2,52760	+0.07	+0.01	<u>-</u> ±1.4964
irish Punt	0.72589	0.728856	+0.44	+0.38	±1.6899
Italian Lira	1403,49	1375.23	-2.01	-2.01	±4.1505
		cu, therefore djustment calc			

OTHER CURRENCIES

hada 07				£
July 23	£		}	Note Rates
rgentina Peso	75,45-75,59	57.29-57.36	Austria	26.45-25,76
ustralia Dollar.	1.6090-1.6115	1.2200-1.2210	Selgium	76.75.77.50
raził Crużelro	2.414.1.2.427.8	1.833-1.842	Denmark	13,77-13,90
inland Merkka		6.0550-6.0600		11.57-11.66
reek Drachma	148.80-149,20	118 90-113 90	Germany	3,77-3,80
one Kone Dollar	10 3310.10 3416	7 R475.7 R525	Italy	2310 2340
an Rial	119.60		Japan	523-328
ment Dimer KD	0,39396-0,39455	A 20015 R 20035	Matheriande	4.25 4.4.29
renthalle Er	76,65-76,75	58.15.58.20		10.89-10.99
isterale Pelles	3,1015-3,1090	0 3560 0 366E		192-201
	2.6685-2.6686			207-216
ew Zemenu Dir.	4.6235-4.6290	7 6110 7 6100	Superior	10.96-11.07
KIRGI AFALL, KIYAI	2,8400-2,8475	9.0110-0.0120	SW609114	3,20-3,23
ingapore Dollar	0.0400-2.0410	Z,1000-Z,100U	SWITZBIRD	1.31-1.33
ER VILICITY HERIO	Z.U00U-Z.U39U	1,0430-1,0403	United States	191-1.55
"A.E. Difftam,	4.8360-4,8410	3,5720-5,5750	'T UBOSIBYIB'	121-SOD

THE POUND SPOT AND FORWARD

-	Day's		O	%	Three	
July 24	spread	Ciose	One month	p.a.	months	p.
u.s.	1.3155-1.3210	1.3185-1.3195	0.06-0.03c pm		par-0.05dis	-Q.
Canada	1.7460-1.7540	1.7460-1.7470	0.02c pm-0.10dis	-0.27	0.35-0.49dia	-0.
Nethind.	4.2680-4.2950	4.29 4.29	2.38-2.08c pm	6.24	5.06-5.71pm	5.
Belgium	76.48-76.75	76.65-76.75	12-4c pm	1.25	18-8pm	0.
Denmark	13.80-13.85	13.932-13.843	2.17-0.97ore pm	1.36	3.77-2.57pm	0.
traland	1.2315-1.2380	1,2330-1,2350	0.05p pm-0.07dis	-0.05	0.21-0.38dia	-C.
W. Ger.	3.784-3.80	3.781-3.7912	2.36-2.19of pm		6.00-5.78pm	6.
Portugal	197.41-203.43	197.55-203.00			400-940dis	13.
Spain	214.00-214.75	214.15-214.35	25-55c dis		125-170dis	-2.
Italy	23211-23261	23261 - 232872	5.89-7.21lire die		21.61-23.484	-3.
	10.911-10.95	70.92-10.93	0.07cre pm-1.01d		1.06-2.14dis	-0.
Norway	11.605-11.644	11.63-11.64	0.72c pm-0.13dis		0.33-7.44dis	-D.
France		10.99 - 11.00 2	0.71-1.79ore dis		2.89-3.98dis	-1.
Sweden	10.97-11.02		1.88-7.70y pm		4.69-4.49pm	5.
Japen	323.87-326.25	3251,-3261,			35-31pm	4.
Austria	26.55-26.66	26.58-26.63	137 _e -12gro pm			
Switz.	3.20% 3.32%	3.204-3.214	2.24-1.99c pm		5.79-5.55pm	7.
8	elgian rate is	ior convertible	iranes, Financial	TIANC	77-10-77-20-	

July 24	Day's spread	Close	One month	%	Three months	*
				p.a.		р.а
UKt	1.3156-1.3210	1.3185-1.3195	0.08-0.03c pm		par-0.05dis	-0.0
irelandf	1.0670-1.0715	1.0890-1.0700	0.09-0.04c pm	0.73	0.25-0.15pm	0.7
Canada	1.3250-1.3295	1.3260-1.3265	0.07-0.09c dis	-0.72	0.27-0.30dis	-0.8
Nethind.	3.2390-3.2565	3.2545-3.2565	1.63-1.60c pm	5.96	4.55-4.52pm	5.5
Balgium	58.00-58.02	58.15-5 8.2 0	2c pm-par	0.21	9-6pm	0.5
Denmark	10.47ት 10.51ት	10.49 - 10.50	1.0-0.5ore pm	0.85	2.85-2.35pm	0.9
W. Ger.	2.8E25-2.8B20	2.8755-2.8765	1.63-1.58pf pm	6.69	4.54-4.49pm	6.2
Portugal	150-154	151-154	100-300c dis	-15.74	300-700dig	-13.1
Spain	182,30-162,65	162,45-162,55	30-40c dis	-2.53	93-113dis	-2.5
taly	17611-17651	17651-17861-	5-8lire dla		18-17dls	-3.74
Norway	8.281-8.293	8.284-8.294	0.45-0.95ora dia		0.80-1.30dis	-0.5
France	8.7950-8.8425	8.8250-8.8300	0.15-0.35c dis		0.10-0.60dis	
Sweden	8.3375-8.3550	8.3450-8.3500	1.05-1.55ore dis		2.20-2.70dis	
Japan	245.90-247.25	246.85-246.95	1.27-1.23y pm		3.58-3.63pm	
Austria	20.12-20.205	20.19-20.20	9.30-8.80gro Ptn		28.75-24.750	
Switz.	2,4255-2,4450	2,4405-2,4415	1.50-1.48c pm		4.36-4.32pm	
			I.S. currency. F			
			ir and not to th			
			francs. Financial			7-

EXCHANGE CROSS RATES

Jusy 25	Lond St. Lind	U.S. DOI ar	heartone w.k	a bounded seu	Crementane	SMISS LIBIIC	Duttil Gmid	ILENEII LIIA	CENSUE DUNEN	Seifimit Limi
Pound Sterling	0.758	1,519	3,790	325,8.	11.635	3,209	4,290 _	2328.	1.747 1	- 76,70
U.S. Dollar		1.	2,876	246,9	8.828	2,441	3,256	1766.	1.327	58.18
Deutschemark	0.264	0.348	1.	86,95	3.070	0.846	1.132	614,1	0,451	20.24
Japanese Yen 1,000	3,070	4.049	11,63	1000,	35.72	9.847	15.17	7145.	5,361	235,5
French Franc 10	0,859	1,134	3,257	250,0	10.	2.757	3,687	2000	1,501	65.92
Swiss Franc	0,312	0,411	1,182	101,5	3,627	1.	1,357	725,6	0,545	23,91
Dutch Guilder	0.233	0.307	0.883	75,93	2,712	0.748	1.	542.5	0.407	17.88
Italian Lira 1,000	0.430	0.567	1,62B	140,0	4,999	1,378	1.845	1000.	0.750	32.95
Canadian Dollar	0.578	0.755	2,170	186.5	6,662	1,837	2,456	1333	2.277	43.58
Beiglan Franc 100	1.304	1.720	4,941	434.7	15,17	4,182	5,593	3035.		100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

July 25	Sterling	U.S. Canadian Dollar Dollar	Dutch Guilder	Swigs Franc	D-mark	French Franc	Italian Ura	Belgia Gonv.	rrane Fin.	Yen	Danish Kroner
Sbort term	131g-1214 1214-123g	11 6 11 6 11 11 11 11 15 11 16 11 17 11 16 11 17 11 15 11 17 12 16 12 17 13 12 12 13 12 13 12 13 13 13 13 13 13 13 13 13 13 13 13 13	514-518 513-614 618-614 612-613 614-618 7-718	114-112 8814 414-446 414-476 412-516 412-516	5-61g 514-55g 5-2-5-2 634-63g 64-63g 65g-64g	1118-1138 1118-1134 1134-12 1218-1238 1518-1358 1438-1458	15-16 131 ₂ -15 15-151 ₂ 153 ₄ -161 ₄ 1658-17 171 ₄ -171 ₄	11-1112 1114-1134 1114-1154 1115-1178 1154-1214 1256-1278	1114 1154 1110-1134 1110-1134 1110-1134 1159-1178 1151-12	6-8-6-8 6-8-6-8 6-8-6-8 6-8-6-8 6-8-6-8	103:11: 101:103 102:11: 11:6:117 11:4:12: 11:6:123
			-								

Asion \$ (closing rates in Singapore): Short-term 11½-11½ per cent; seven days 11½-11½ per cent; one month 11½-11½, per cent; three months 12½-12½ per cent; six months 12½-12½, per cent; one year 13½-13½ per cent; six months 12½-12½, per cent; one year 13½-13½ per cent; flour years 14½-14½ per cent; flour

Frankfurt :

Paris

MONEY MARKETS =

London rates firm slightly

yesterday, although sentiment was somewhat divided following contrasting events in Britain and

be set against a larger than ex-pected rise in U.S. second quarter gross national product growth. An increase of 7.5 per cent, compared with an antici-

UK clearing banks' base lending rate 12 per cent (since July 12-13)

pated figure of 6.5 per cent and

pated figure of 6.5 per cent and the original flash estimate of 5.7 per cent led to fears to tighter Federal Reserve monetary policy and higher U.S. interest rates.

Three-month sterling interbank firmed to 12½ per cent from 12½ per cent from 12½ per cent from thouses buying rates for three-month bank bills to 11½-11½ per cent from 11½ per cent.

The Bank of England initially forecast a money market shortage of around £450m, but changed this to £300m at noon, and provided total help on the

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11,00 a.m. July 23) 3 months U.S. dollars offer 12 1/6 6 months U.S. doffers

bld 12 5:8 The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered state for \$10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Drutsche Benk, Banque Nationale de Paris and Morgan Guersaty Trust.

London short term interest day of £300m through outright balances below target another in band 3 (34-63 days) at 113 per rates had a slightly firmer trend purchases of bills, repurchase £70m. These outweighed a fall cent; and £2m bank bills in band yesterday, although sentiment agreements, and late assistance. int he note circulation adding 4 (64-91 days) at 113 per cent. yesterday, although sentiment was somewhat divided following contrasting events in Britain and the U.S.

Settlement of the docks dispute helped to take the pressure off sterling and solved the most immediate problem facing the Government, but this had to be set against a larger than expected rise in IIS second

4 (6491 days) at 11; per cent. Another £149m bills were purchased by the authorities for re-sale to the market on July 31, at a rate of 12 per cent. In the afternoon £26m bank bills were bought outright in band 2 at 11; per cent, and the Bank of England also provided late assistance of around £50m.

Milan

558-554 | 6,03125 | 1614-1654 | 7.95 614-613 | 6,21875 | 1614-1658 | 1112-1134

Brussela !

Amst'dam | Tokyo

MONEY RATES

ree months k months mbard tervention	·	6,25-6,4 ,8,5	5 1156-1 6 1176-1	216 -	478 674 6	57g : —	75 : 1655.7	1134	-12 1	13-13 356-13
ONDON.	MONE	Y RATE	s	ום	iscount	Houses	Depos	it and	Bill 1	Rate
July 23 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy	Treasury ,Sell,	Eligible Bank Buy:	Eligible Bank Selli	Fin Trac
rernight	12½ 18½ 12½ 12½ 12½ 12½ 12½ 12 11½ 11½	121g 123g 121g-127g 121g-127g 121g-121g 121g-121g 117g-121g	1814-1256 1214-1256 1214 1216 12 12	1212-1219 		` = '	11:8 11:8 11:8	11	115.113	. 12:

	Local Auth, negotiable bonds		House		Linked	EGU Linked Deposits	MONEY RATES NEW YORK (Lunchtime)	
One month Three months Six months Nine months One year	1249-124 124-124 114-114	=	124 124 112	. 11,6 11,7 11,75 11,85 12,85 12,45 12,5-12,7	10.1-10 ± 105e-107e	9-7-9-3 101-10-	Prime rate	12-121 ₂ 11-2
Two years Three years Four years Five years ECGD Fixe period June 6 and brance b	of Rate Exp	12: ₈ 12: ₄ 12: ₄ 12: ₄ ort Financi 1984 (incl 1984 (incl	Schemo	IV: Ave	rage Rate	of Interest	Treasury Bills One month Two month Truce month Sia month Cha year	10.20 10.65
Houses Base R from July 1 19 cent London Treasury Bills: Yas Deposit (* 12% per cent: six-nine month 11% per cent i rate for all dep	44 Lendon Deposit Rail Average ton Series 8). Di One-three mi s 124 per 1 rom July 23	and Scottis of the sum: der rate of eposit of £ unths 124; tant; name Deposits	h Clearing s at seve discount 100.000 a per can*, 12 months held unde	p Sank Ra in days' i 11 3381 po nd over h ibice-six i 12'a per or Sorics (tus for tun: totice 8%-9 or cen: Ca eld under months 12: cent, Und	ding 12 per per sent milicates of one month a per cent er £105,000	Treasury Bonds Two year	101 % 121 % 101 % 98 ~ u

FINANCIAL FUTURES

Easier trend

Elsewhere sterling rose to DM 3.7880 from DM 3.7780 while the Swiss franc slipped to DM 1.1791 from DM 1.1822. Within the EMS the Belgian franc improved to DM 4.9410 per BFr 100 from DM 4.8370 but the French franc was unchanged at DM 32.585 per FFr 100.

JAPANESE YEN — Trading range against the dollar in 1984 is 246.90 to 233.10. Jane average 234.0. Trade weighted index 151.9 against 157.5 skx months age. Euro-dollar prices lost ground in the London International Financial Futures Exchange yesterday on news of an upward revision in second-quarter U.S. GNP. figures. These were expected to be increased from the original 5.7 per cent flash estimate but the rise of 7.5 per cent contrasted with markets expectations nearer 6.5 per cent. In addition Fed funds opened firm at 11½ per cent and cash rates put on ½ of a point. U.S. Sterling-based contracts fared little better, with three-month sterling deposit futures easing on sterling's weakness against the dollar Gilt futures were similarly affected and after a firmer opening at 98-30, the September contract eased to a low of 97-31 before finishing at 98-06 down from 98-08 on Friday. FT-SE contracts were marked down the lowest level this year. The index 151.9 against 157.5 six months ago.

The dollar rose to its best closing level this year against the yen in Tokyo, closing at Y245.85 compared with Y243.20 on Friday. It opened at Y245.80 compared with a New York close of Y245.40 and eased initially to a low of Y245.55. However renewed demand pushed the dollar to a trading high of Y246.30. The Bank of Japan was active selling an estimated \$100m

Y246.30. The Bank of Japan was active selling an estimated \$100m in order to contain the rise. Fears of higher interest rates in the U.S. provided the principal attraction. Elsewhere the D-mark rose to Y85.81 from Y85.79 in New York and Y85.49 in Tokyo on Friday. 6 in New York-Latest

	July 23	Prev. close	Juna Sept Est volu	86 186
month months	0.07-0.05 pm par-0.04 dis	181,3230-3240 40.07-0,03 pm 10.03 pm-0.62 di 1,50-1,60 dis	Previous THREE-A	de fOt
		cents discount.	Sept Dec	CI 88
CUR	RENCY	RATES	March*	85

CURRENCY MOVEMENTS July 25 | Bank | Special | Prawing | 2 | Rights 0.591591 0.780604 1.03617

TH

E	DOLLAR	SPOT AN	ID FORWA	RD		
24	Day's			%	Three	%
24	spread	Close	One month	p.a.	months	р.ә.
	1.3156-1.3210	1.3185-1.3195	0.08-0.03c pm	0.50	par-0.05die	-0.08
adt	1.0670-1.0715	1.0690-1.0700	0.09-0.04c pm	0.73	0.25-0.15pm	0.75
de	1.3260-1.3295	1.3260-1.3265	0.07-0.09c dis	-0.72	0.27-0.30dis	-0.86
Ind.	3,2390-3,2565	3.2545-3.2565	1.63-1.60c pm	5.96	4.55-4.52pm	5.58
ium	58.00-58.02	58.15-58.20	2c pm-par		9-6pm ·	0.51
nark			1.0-0.5ore pm		2.85-2.35pm	
Ger.	2.8625-2.8820	2.8755-2.8755	1.63-1.58pf pm		4.54-4.49pm	
legu	150-154	151-154	100-300c dis	- 15.74	300-700dis ·	-13.16
n	182.30-162.65	162.45-162.55	30-40c dis	-2.58	93-113dis	-2.53
	17817-17857	17651-17661-	58lire dls	-3.91	18-17dls	-3.74
vay	8.28 - 8.29 -	8.284-8.294	0.45-0.95ora dia		0.80-1.30dis	
Ce	8,7950-8.8425	8.8250-8.8300	0.15-0.35c dis		0.10-0.60dis	
den	8.3375-8.3550	8.3450-8.3500	1.05-1.55ore dis		2.20-2.70dis	
n	245.90-247.25	246.85-246.95	1.27-1.23y pm		3.58-3.53pm	
ria	20.12-20.20 ⁻ 2	20.19-20.20	9.30-8.80gro ptn		28.75-24.75pt	
Z,	2.4255-2.4450	2.4405-2.4415			4.35-4.32pm	
			.S. currency. Fo			
disc	ounts apply to	the U.S. dolls	r and not to the	a Indivi	dual_comenc	y.
			former Companies			

has taken a tighter monetary stance in order to contain inflationary pressures normally associated with a strong econo-mic expansion.

LONDON

Of 100%

Close High Low Prev
87.88 97.76 87.88 87.86
87.87 87.07 80.82 97.17
86.52 86.65 86.47 81.75
86.27 86.40 86.24 86.50
96.07 86.07 86.07 86.29

Nume 4.565 (3.503)
ss day's open int 13.058 (12.889)

32nds of 100%

Close High Low Prev
Sept 98-06 99-01 97-31 99-08
Dec 97-14 — 98-16
March 96-22 — 97-30
June 96-04 (3.393)
Previous day's open int 5,426 (5,727)
Basis quote (clean cash price of 13%,
Tressury 2003 less equivalent price of near futures contract) 12 to 24 (32nds) STERLING E25,000 \$ per £

DEUTRCHE MARKS DM 125,000 S Sept Close High Low Prev 0.3502 0.3506 0.3499 0.3532 Dec 0.3557 = 0.2586 Est volume 100 (1) Previous day's open int 331 (331)

Close High L5W Prev Sept 0.4128 0.4140 0.4128 0.4190 Dec 0.4208 — — 0.4280 Est volume 1 (nil) Previous day's open int 2,295 (2,295) APANESE YEN Y12.5m S per Y100 Close High Low Prev
Sept 0.4080 0.4080 0.4078 0.4121
Dec 0.4144
Est volume 1 (3)
Previous day's open int 224 (224)

Close High Low Prev 38.30 100.30 98.20 100.55 98.20 — 100.65 th 98.55 — 100.80 volume 662 (240) ious day's apen int 980 (1,003)

contract eased to a low of 97-31 before finishing at 98-06 down from 98-08 on Friday. FT-SE contracts were marked down sharply as equities finished at the lowest level this year. The September FT-SE price opened at 100.00 down from 100.55 and fell to a low of 98-20 before closing at 98-30.

U.S. TREASURY BONDS 8% \$100,000 32nds of 100% | Low | Prev | Sept | 61-25 | 62-10 | 61-21 | 63-0 |
87.68	87.86	87.86	88.82	87.11
86.47	81.75	88.24	88.50	
86.07	86.07	86.07		
86.08	86.08	86.08		
86.08	86.08	86.08		
86.08	86.08	86.08		
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86.08	86.08 U.S. TREASURY BONDS (CBT) 8% \$100,000 32nds of 100%			

High 64-31 63-29 62-30

65-00 = = =

62-00

Latest High 61-29 61-31 61-08 61-12 60-28 60-27 60-16 60-15 60-07 60-09 60-00 60-00 59-19 59-19 Low Prev 61-21 62-06 61-01 61-19 60-20 61-04 60-10 60-25 60-06 60-16 59-26 60-08 60-02 59-17 59-28 Latest High Low Prov. 89.31 89.33 89.25 89.38 88.46 88.47 88.41 88.56 89.03 87.98 89.14 87.70 87.50 87.55 87.49 87.65 87.37 87.36 87.38 87.36 87.37 87.36 87.37 87.38 87.35 87.37 87.38 87.35 87.37 87.38 87.38 87.38 87.38 87.39 87.38 87.39 87.39 87.39 87.39 87.39 87.39 87.39 87.39 87.39 87.39 Latest High Low Pre Sept 83.31 89.25 89.33 189.25 89.33 189.25 89.33 189.25 89.35 189.25 89.35 189.25 89.35 189.25 189.35 189.25 189.35 189.25 THREE-MONTH EURODOLLAR (IMM) \$1m points of 100%

Company Notices

NOTICE TO HOLDERS OF EUROPEAN DEPOSITARY RECEIPTS (EDR:) IN OKUMA MACHINERY WORKS, LTD.) tax will be deducted at the rate of 20% on the grown pied to you dividents unclaimed allow Detaber 31, 1984 Ointiond payabless 20% Japane

Cishesi, N.A. pod, London WCZR 1HB

NOTICE TO HOLDERS OF EUROPEAN DEPOSITARY RECEIPTS (EDRs) IN **SHARP CORPORATION** Further to our motice of March 23, 1984, EDR holders are informed that Sharp Corporation has paid a dividend to Inditors of recard March 31, 1984. The cach dividend payable is Yen 5 per Common Stock of Yen 50.00 per share. Personnt to the Terms and Conditions the Dispository has converted the net amount, efter deduction of Japaneses withholding taxes, into United States Dollars. \$20.55

TRAFALGAR FUND S.A.

THE SOARD OF DIRECTORS

E WORLD VALUE OF THE POUND

The table below gives the latest available (ate of exchange for the pound against various currencies on July 23, 1984. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approimate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling-dollar rates; (T) tourist rate⁰ (Bas) basic rate; (bg) buying rate; (Bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (fn) financial rate; (exC) exchange certificate rate; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

	COUNTRY	CURRENCY	VALUE OF £ STERLING	COUNTRY	CURRENCY	VALUE OF £ STERLING	COUNTRY	CURRENCY	VALUE OF £ STERLING
	. AJGENA	E. Caribbean \$	(A) 0.0U	Greenland Grenada Guadaloupe Guam Guatemala Guinsa Guinsa Guinsa Guinsa	E. Caribbean \$ Locat Franc U.S. \$ Quetzai Syli Peso	15,84 11,635 1,3190 1,3190 31,95 108,75 4,95	Peru	Philippine Peso 1£ Sterling 1New Zealand £ Zioty Portugu'se Esoudo	exe(A)4,505,17 23.05 2,6660 144,05 200,275 1,3190
	Australia Austria Azores Bahamas Bahrain Baieanc Isles Sangladeth	Schilling Portugu'se Escudo Ba. Dollar Dinar	1.61.025 26.605 200.275 1.3190 0.4975 214.25 53.95	Haifi Honduras Hong Kong Hungary	Lempira H.K. 5 Forint	6,595 2,64 10,34 64,86;; 40,2052	Reunion Island Romania Rwanda	. French Franc . Leu	4.8065 11.635 [(Cm)6.53 { (N:C) 19.42 134.6
	Barbados	Barbados § B. Franc B.S. C.F.A. Franc Bda § Indian Rupes	2.5380 ((cm) 76,70 ((fn) 77,15 2.6380 581.78 1,3190 15.10	India	Ind. Rupee Ruplah Riai Iraqi Dinar Irish £ Shokel Lura	15.10 1,349,00 119.60(sg) 0,41165 1,2335 352.0 2,327.5 561.75	St. Christopher St. Helena St. Lucia St. Pierre St. Vincent Salvador El Samoa American San Marino	St. Helena £ E. Caribbean Local Franc E. Caribbean \$ (See El Salvador)	3,56 1,0 3,56 11,635 3,56 1,3190 2,537,6
	Botswane Brazil Brit. Virgin Isles Brunel Bulgaria Burma	Pula Cruzeiro # U.S. 5 Brunel \$ Lev	(O) 2,638.0 1.7750 2,420.96 1,5190 2,64375 1,3846 11,2829	Jamaica Japan Jordan Kampuchea	Jamaica Dollar Yen Jordanian Dinar Riel	5,50 325,75 0,507 N/A 19,32	San Marino	Saudi Ryal C.F.A. Franc S. Rupee Leone	2,337,5 58,55 4,62685 581,75 9,25(eg) (O)3,30 2,84375
	Cameroon	Burundi Franc C.F.A. Franc Canadian S Spanish Peseta Cane V. Escudo	157.44 581.75 1.7465 214.25 105.50	Kiribati Korsa(Nth) Korsa(Nth) Korsa(Sth) Kuwait Lebanon	Australian S Won Won Kuwaiti Dinar New Kip	1.61025 1.6555; II) 1.07.4 0.39425 46.165 7.9765	Solomon Islands Somali Republic, South Africa Spain Spanish ports in	Solomon is. \$ Somali Shilling Rand Pessta Pessta	1.7240 23.15 2.0370 214.25
	Cent.Afr. Republic Chad. Chile	C.F.A. Franc C.F.A. Franc Chilean Peso Renminbi Yuan Col. Peso C.F.A. Franc	581,75 581,75 120,48 3,0286 (F) 153,55 581,75	Lesotho Liberia Libya Liechenstein Luxembourg	Maluti Liberian 8 Libyan Dinar Swiss Franc Lux Franc Pataca	2,0370 1,3190 0,3905 3,2075 75,70	Sudan Republic Surinam Swaziland Sweden Switzerland	Sudan £ (u) S. Guilder Litangeni S. Krona Swiss Franc	33.10 1.7356 3.3610 2.0370 11.00 5.2075 (A) (T10.0
	Costa Rica	Colon Cuban Peso Cyprus £	(U) 58.05 1,11345 0,7805 (com; 9,30 n:c 15.18 15,75.9	Madeira Malagasy Republic Malawi Malaysia Maldiva Islands Mali Republic	Portug'ss Escudo MG Franc Kwacha Ringgit Rufiyaa	200,275 72,05 1,85 3,10525 9,95 1,63,5 581,75	Taiwan	Tan. Shilling Baht C.F.A. Franc Pa'anga Trinidad & Tob S	1(CMn6.20 52.05 22.87 30.20 581.75 1.61025 3.1666
	Denmark	Djibouti Franc E. Caribbean £ Dominican Peso	13.84 225 (89) 3.56 (0) 1.3190 (7) 3.957 (0) 84.90 (F) 117.29	Malta	Maitese E Local Franc Ougulya M. Rupes Mexican Peso	0.612 11.636 75.30 18.27 17:261.65 2 (0:223.96 11.635	Tunista Turkey Turks & Calcos Tuvalu	Turkish Lira Turkish Lira U.S. 8 Australian 5	1.005 (ag) 495.18 1.3190 1.61028
	Egypt	Colon Ekuele Ethiopian Birr	1.0955 11.5840 :8: 3.29 428.5 (P) 2.7100	Monaco, Mongolia Monserrat Morocco Mozambique Nauru Napuru	French Franc • Tugrik E. Carlbbean \$ Dirham Metical S.A. Rend	11.635 4.75 (II) 3.56 11.35(4g) (A) 56.15 2.2370 1.61025	United States Uruguay Utd. Arab Emiates. U.S.S.R. Upper Volta Vanuatu	U.S. Dollar Uruguay Peso U.A.E. Dirham Rouble C.F.A. Franc Vatu	1,3190 74,60 4,8385 1,0780 581,75
	Farce Islands Fill Islands Finland France French C'ty in Af French Guana French Pacific Is.	Danish Kroner Frji S Markka French Franc C.F.A. Franc Local Franc	13.84 1.4725 7.99275 11.635 581.75 11.635 206.5g	Nepal	Guilder Antillian Guilder N.Z. Dollar Cordoba C.F.A, Franc	21.25 4,29 2,3610 2,5660 13.175 531.75	Vatican	Bolivar Dong U.S. Dollar	2,327.8 (41,5.67 (6),9.90 (6),16.92 (0),13.45 1.3190
	Gabon	C.F.A. Franc Dziasi Ostmark Deutsche Mark	581.75 5.00 3.79 3.79 46.22275	Norway Oman Sul'ate of. Pakistan, Panama, Papus N, Guinea Paraguay	Norwegian Krone Rial Omani Pakistan Rupeo Balboa Kina	10,925 0,4565 18,40 1,3140 1,2125 (316,20:10)	Yemen (Nth	Ryal S. Yemen Dinar New Y Dinar Zaire	(A)2.756 7.10(ag) (A)0.4515 192,2995 48,0864
Į	Greece	Drachma	149.90			(428,60 (12)	Zambia Žimbabwe	Zimbabwe	2.40 1,6680

* Rate is the transfer market (controlled). #: Now one official rate. (I) Unified rate. Applicable on all transactions except countries having a bilateral agrooment with Egypt and who are not members of IMF. (I) Based on gross rates against Russian rouble. (I) Essential goods. (2) Preferential rate for priority imports such as foodstuffs. (4) Preferential rate for public sector debt and essential imports. (5) Preferential rate. (6) Froe rate for luxury imports, remittances of marcy abroad each forcing travel. (7) Parallel rate. (8) Rate for remittances of foreign currency by Egyptians working abroad. (9) Banknote rate. (10) Rate for imports.

INFORMATION FROM PHARMACIA

Stock Dividend

Pharmacia, the Swedish biotechnology company, will carry out a stock dividend during summer and early fall of 1984. The terms of the issue is one new share for every two shares held. The share will be quoted exclusive of fractional rights on the Stockholm Stock Exchange beginning on July 26, 1984, Record date is July 30, 1984.

Some important dates are:

The shares are quoted exclusive of fractional rights on the Stockholm Stock Exchange, Consequently, the quotation will be adjusted and technically amount to approximately 67 per cent of the quotation prior to this date.

July 30

The new shares and fractional rights are sent from VPC, the Swedish Securities Register Centre, to shareholders abroad (excluding holders of American Descriptors abroad) Depositary Receipts).

Official quotation of fractional rights on the Stockholm Stock Exchange begins. Trading with fractions September 28 Quotation stops. Official stop for trading with

The stock dividend will, however, not apply to the company's American Depositary Shares (ADS) traded on the OTC market in the U.S. This means that the number of outstanding ADS will not be changed nor will the earnings per ADS. Furthermore, the price of the ADS will technically not be affected.

However, the relationship between ADS and the underlying non-restricted 8-shares will be changed.

Today four ADS correspond to two underlying B-shares. As of the record date, July 30, four ADS will correspond to three underlying B-shares. The base will thereby be changed from 1 ADS = 0.5 shares to 1 ADS = 0.75 shares.

The Group's profits for the fifteen months ended 31st March, 1984 totalled HK\$778.3 million (HK\$541.3 million for

●Earnings per share were 34.4 cents.

Limited, Singapore.

1982 calendar year) whereas profits before

extraordinary items were HK\$536.1 million (HK\$382.0 million for 1982 calendar year).

●Extraordinary items amounted to HK\$242.2 million arising from the sale of

the Group's share in the West Point joint venture and from the sale of part of the Company's interest in Hotel Marco Polo

◆A final dividend of 4.5 cents per share is

proposed which will result in a total

dividend of 22.4 cents per share for the fifteen-month period ended 31st March,

Group profit before taxation

Group profit after taxation

Group profit before extraordinary items

Group profit after extraordinary items Earnings per share, before extraordinary items

The Group's profit after transfer to fleet

reserves and after taxation, but before extraordinary items improved by 36 per cent to HK\$646.9 million, from HF.\$476.4 million in the previous year.

●Profit after extraordinary items was

cent owned associate of the Group, has changed its financial year end from 31st December to 31st March and has reported

●The Hongkong and Kowloon Wharf and Godown Company, Limited, a 44.5 per

results for the fifteen-month period ended

 Earnings per ordinary share after taxation but before extraordinary items were
43,4 cents compared with 30.9 cents for

> **SUMMARY OF RESULTS** For the year ended 31st March

Profit attributable to shareholders

Fully diluted earnings per ordinary share

Earnings per ordinary share

Dividends per ordinary share

Share of profits less losses of associated companies

Profit before taxation

Profit after taxation

Extraordinary items

Hong Kong, 19th July, 1984.

Operating profit

HK\$425.3 million.

31st March, 1984.

Minority interests

Extraordinary items

Dividends per share

Hong Kong, 18th July, 1984.

The Hongkong & Kowloon Wharf

& Godown Company, Limited

Group Results For The Fifteen Months Ended 31st March, 1984 As reported in April 1984 the Group has changed its financial year end to 31st March.

● Harbour City Phase IV, completed in December 1983, is at present over 84 per

properties remain at over 96 per cent let.

cent let, while other commercial/residential

OAll divisions of the Group performed well

during the period and the Group continues to maintain a financially liquid position. In

July 1984 the Company's holding in Singapore Warehouse Company (Private)

With its considerable financial resources

and sound recurring income base the Group

is well positioned financially to explore and

ended

HKSM

491.5 61.3

430.2

48.2 382.0

159.3

541.3

24.8 cents

16.0 cents

engage in any future suitable investment opportunities that may arise in Hongkong

Limited was sold and the Company's management responsibilities for this property were terminated. Total proceeds

exceeding \$366 million were received

from these transactions.

31st March 1984

HKSM

637.0

53.0 584.0

47.9

536.1

242.2

<u>778.3</u>

By order of the Board, World-Wide Secretaries Limited

 The Board recommends payment of a final dividend of 7.5 cents per ordinary share which, together with the interim

dividend of 4.5 cents paid in January 1984, will result in a total dividend for the year ended 31st March, 1984 of 12.0 cents per

●As of 31st March, 1984, the Group's total

indebtedness was reduced by 26 per cent in comparison to that a year earlier. The ratio of the Group's total indebtedness to share-

holders' funds was 33 per cent, against 48 per cent for the previous year, and that to total tangible assets was 25 per cent, a

further reduction from the ratio of 33 per cent at 31st March, 1983.

1983 HKSM

257.3

247.4

504.7

476.4

405.6

<u>30.9 cents</u>

12.0 cents

(70.8)

(28.3)

●The Board announces corporate reorganization proposals, details of which are being released separately.

HKSM

375.8

295.3

671.1

(24.2)

(221.6)

<u>425.3</u>

43.3 cents

37.3 cents

<u>12.0 cents</u>

By order of the Board, World-Wide Secretaries Limited

34.4 cents

22.4 cents

WORLD INTERNATIONAL

ordinary share.

(HOLDINGS) LIMITED

1983/84 RESULTS

Uppsala, in July, 1984 PHARMACIA AB

INTERNATIONAL CAPITAL MARKETS

\$100m credit for **Tunisia**

By Peter Montagnon in London

TUNISIA is today expected to launch a \$100m, eight year credit in the Euromarkets, its first big bor-rowing since an \$80m deal late last year, for Banque Nationale de Développement Touristique.

The new credit is due to be led jointly by a group of five internatinal banks - Arab Banking Corporation, Bank of Tokyo, Banque Arabe et Internationale d'Investissement, Chase Manhattan and Credit Commercial de France.

Although a formal mandate has yet to be awarded, bankers believe that the conditions will include a margin of % per cent over Eurodollar rates for the first five years, rising to % per cent thereafter. The credit would carry a commitment fee of 1/4 per cent and a management fee of ½ per cent.

These terms are slightly tougher for the borrower than last year's \$80m credit, which bore a margin of 4 per cent for six years rising to 3 per cent for the remaining two. The grace period on the new deal of four years is one year shorter than on that previous loan.

Bankers note that although Tunisia is paying only slightly more for its money this year, it is one of very few borrowers facing tougher condi-tions in 1984 than it did last year.

Renewed interest rate fears hit Eurobonds

BY MAGGIE URRY IN LONDON

A HIGHER-than-expected U.S. gross national product figure hit the Eurodollar bond market, nervous of further rises in interest rates and the continuing strength of the dollar. Prices fell by 14 to 14 point, and buyers kept well away.

The only new issue - for Japanese shipping group NYK - did not trade actively. Led by Nikko Securities (Europe), the \$50m deal was in part pre-placed in Japan. With a guarantee from Mitsubishi Bank. the five-year bond has a 13% per cent coupon.

The sharp fall in the Tokyo stock market and the weakening yen per-suaded Yamaichi International (Europe) to postpone the \$30m conver-

BHF Bank bond average July 23 Previous 98.867 98.821 1984 Low 98.056

tible bond issue for Optec Dai-Ichi Denko announced last Friday. Prices of outstanding Japanese convertible issues fell by three or

four points. With dealers still worried by the possibility that the West German 25 per cent coupon tax may be lifted, D-Mark bonds fell a further % to %

Prices of seasoned Swiss franc

trading. Credit Suisse priced its SwFr 50m private placement for Sanken Electric with a 2½ per cent coupon, as indicated, and a 9 per cent conversion premium. There is a put option after three years at 108%, to yield 4% per cent.

The European Coal and Steel Community is raising LuxFr 1bn through a 10-year issue with a 10% per cent coupon. Lead manager is Banque Generale du Luxembourg. Mr Georges Gason, a Frenchman who was one of the founders of the Eurobond market, died at the weekend. He spent his working life in London, with the merchant bank, Hart Son & Co, and then with Samuel Montagu, which took over Hart

Banks oversubscribe \$420m Pechiney issue

PECHINEY, the French state—the company's restructuring and recovery. Pechiney is expected to per group, has made a strong return on the international capital markets. This follows the oversubscription by 33 international banks for the nationalised French group's US\$420m financing, including \$300m in non-guaranteed project financing and \$120m in parent company guaranteed corporate financ-

Company officials said yesterday the oversubscription totalled \$650m excluding an additional \$120m in subscriptions by the three lead managers of the Pechiney issue.

The company regards the strong response to its first major international financing since nationalisa-tion as an endorsement by the in-

form profitably this year.

The issue is the largest ever made by the company and is de signed to help finance the group's 50 per cent share of a \$1.2bn aluminium smelter project in Quebec.

In response to the recent fall in aluminium prices, Pechiney - third largest aluminium producer after Alcan and Alcoa - has decided to reduce 70,000 tonnes of capacity in Europe. The cuts follow similar reduction by other major aluminium producers.

The group is cutting 22,000 tonnes of capacity at its Flessingue plant in the Netherlands, 20,000 tonnes at its Greek plant, and 28,000 tonnes in France.

India turns to Japan for Y5bn credit

By R. C. Murthy in Bombay

INDUSTRIAL Credit and Investment Corporation of India (ICICI), a public sector financial institution, has given a mandate to Daiwa Se-curities of Japan to syndicate a Y5bn loan by private placement.

This is the second time India has tapped the Japanese market. Earlier, Industrial Development Bank of India (IDBI) secured the clearance of Japan's finance ministry for a Y5bn private placement after a wait of more than two years. Nomura Securities is the agent for the issue. India's requirements for Japanese yen are growing following

facturers to produce Japanese-de-signed light vehicles and cars.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for July 23.

ls. Dollar				Charge	ĆĮ.		
	smed	Bel	Offer	day	week +94	Yield	
Veska Housing 11% 94	100	8834	8944	8	+94	13.85	
Mi Képpon Airwey≤ 14 54	100		103%			13.41	
Americae Savings 12 89	125	95³4s			-634		
American Sav 12Vs 89 Australien led Dev 11 89	100	955-2	97V8		-6%		
Australian led Dev 11 88	75	901/2	91	-04s	-6%		
lastria Rap 13% 92	100	9874	991%	1	+649	13.83	
Back of Tokyo 13% 91	10D	97	971/2	_	_	14.26	
Seicura O/S 11¾ 99	100	 1 93%	93%	-844	-0%	12.73	
INCA 13% 91	199	95%	967/z	8¾s	-01/2	14.02	
Discrep O/S 1174 99	125	954	9514		-64	13.80	
nedizenstelt 13Vz 91	100	95Va	籍物	- B%	-64	13.89	ł
I.N.C. 1134 91 WW	50	8942	\$9	8	+2	14.22	
J.N.C. 1134 97 XW	50	871/2	88	+81/2	+042	14.75	1
Jan. 1194 91 XW	100	901/2	91		+5%		i
leografik Kinadom 13 51	100	95¥4	35%	-04s	9	14.04	ı
Danmark Kingdors 14 51	180	3 9 44	3974	_	_	14.11	
D.C. 114s 89	150	9174	9214	-84	-1%	13.54	
I.B. 121/2 90	100	94%	95%	-94 a	-81/4	13.74	
J.R. 127/a 94	120	9514			-81/2		
J.B. 121/1 94 Jurofina 121/2 91 Jurofina 121/2 91	100	9474			+61/4		
s-lan Rk Jeenn 13Vs 91	75				-81/6		1
est Michigan 1314 B8	125	9744	984		+84		1
Inrida Fed Say 173/x 89	100	95¥a			-01/2		1
Rorida Fed Sav 12% 59 Ben Bec Credii 11 98 Ben Bec Credii 11 91 WW	RMA	241/2			-91/2		i
Con Clos Conde 11 01 WW	200	924g			-64		ı
721 225, GEMI II 31 1717	100	994	DEK.	- 579	± 81/4	14 17	ì
MODES AND CO. 19 00	100	99%	10034		+84	12.13	i
empssen Zentral 14 91 SMAC C/S Fie 13 86 Sell & Western 124s 89	100	913%	017-	-	-8%	12.30	i
201 & 1783MIN 1275 93	116	914			-6%		i
ndest Bk Japan 11½ 89 ndest Bk Japan 13½ 91 nt Paper 0/S Fro 12 91 Japan Air Lines 12½ 94	175		1835/8				i
48651 DK 48668 1376 31	76	16678 1579			-84		i
HI PAPER U/3 MV 12 21	70	533/a					i
apan Air Usas 12 17 29	/U	91%			- 95 ₁₂		i
, I.E.S. 178 02	100	9134	32-46	- 1945	- 65 /a	19.24	ì
T.C.B. 11% 89	100	9B	0014	9½	- (24	13.64	i
Sing irust far 12 ar	70	93%			-042		•
House Course 1915 50	70 150	935-2	9448	-074	- 846	13.00	ì
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1947CUMMBRG PT97 13 31	/3	947a			-21/2		i
lippen Tele 11% 99	100			-0%		12.74	i
igha Score Per II-4 31	100	89 ² %			-8Va		•
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beset Province 1244 94	וטנו	92			-04		i
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tocketeller Grp 1314 89 toyal Bk of Can 1112 89 terat IL led Bk 12 91 ears O/S Fin 1159 91	עטו	90%		-84a		14.42	i
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(Cars 1/5 Hat 11-76 91,	130	91%	9214		-0%		;
ec Pac O/S Fin 1140 88	15	1881/2				15.15	ì
ec Pac C/S Fin 12 92	100	9874	91 7 /a	— (3 ³ /4		13.92	
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heersos/Amex 121/s 94	100	911/2	9156	- 8%s		13.76	į
trici 12 68	100	96 	951/2	-8Va		13.29	į
tantal 12 88 Latal 13½ 89 Sestano Fie 1244 91	100	997/8	99%			13.61	1
esticono Fie 124 51	ISU	937/2	1374	- IP/8	-0%	14.24	1
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225 Jests Int 11% 81	150	91-76	91%			13.84	
okai Asia 12Va 91	100	91	911/2	-8½	-1	14,35	
Vortel Bank 114/z 89	200	9244	3 344	- 8%	+04		ì
Secola Yeskin 1934 99	100	93 M	975/-	_834	MS4e	14 76	ı

Yasıda Tstâfin 12% 89	100	9314	9354	_826		14
Aterage price chark						174
month her read	,	-4-	40 700	H -04	•	
Dertsche Mark				Chance	6	
STRAIGHTS	Street	Birl	Officer 1		WOOK	Ties.
Allied Chemical 71/2 94	125	987/	99 Va	- 844	-14	7.6
Azeca int'i 84 91	7 O B	99	9914	-844	-0%	8.3
ARAS. 84: 91	150	9740	287/8	-1		8.50
Austria, Republic 79/s 94	200	9434	45 m	~ OV2	-1%	8.43
Baster Transport 744 94	200	953/8	96¾s	—8%	-13/1	7.8
Credit National 8Vs 94	200	97	9734	-814	-14	8.52
Deausse Int Fip 71/2 94		987/2	995/1	+87%	-BV2	
EEC. 8 92	200	97 ta	977/4	-81/2	-2 Va	8.4
ELB B 91	250	9674	97%	- 13/a	-146	8.50
Escor 8 92	150	9754a	9834	8	-8%	8.3
Ferresie Sella Stata 8 81	100	981/2	9914	-8Va	-61/2	8.21
Finland Reg 71/2 91	150	94%s	94 <i>7/</i> 8	-01/2	-2%	8.34
Goold les Fis 754 91	100	971/4	98	8	-0%	8.00
Int Standard Be 73/s 90	100	98 (*c	987/8	-849	-148	7.67
Ireland 81/a 92	150	961/2	97 l/a	-64	-814	8.58
Ireland 81's 92	150	971/8	97%	-1%	-244	8.63
Mitsubishi Hvy 31/2 89999	300	钙油	967	-84	− 0%	4,4
Minsubishi Hw 31/2 88XW	300	861/4	87	_8Vz	-87a	6.93
O.K.B. 71/2 88		9874	997/2		-01/4	
Pageics O/S Fin 714 94	250	9734	9874	-6%	-14	7.50
Revnotes 8/S Fig 7% 54	125	991/4	9974		-8Y2	
Societe Cent Maclese 8 91	100	9634	971/2		-6%	
Sth Africa Rep \$1/2 91	200	99174	997/2	Ă	-1	1.50
World Bank 7-Va 89		89	9934		- É%	
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World Bank & S4		964	97/1		-2	
Artrago price chang	- 6- 4-					0.41
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í	DLy. 172 00-1	~~	30	3378		-046	
ı	Papeics 0/S Fin 714 94		97-4		-64		
ı	Reynolds 8/8 Fin 7% 54		991/4		+845		
ĺ	Societa Cent Nacion 8 91			9711	8	-649	85
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ı	World Bank 744 89		99		-81/s		
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ı	World Bank & \$4	200	964 ₈		-51/2	-2	8.5
ļ	Artetga price chang	بخواص مواع	- ₽ %	९० सन	4 – 1¥		
Ī							
l	SWISS FRANC	_			ويسون	60	
ŀ	STRAIGHTS	See al	65d	Offer	dey	WOOK.	Yiel
ł	Casada 5% 92	200	分别%	991/2	+8%	+872	5.3
ı	Cansol Foods 544 54	200	†181V	1974	8	8	5.5
ı	Carospi Press 844 94	200	1991	194	-94	- 8%	6.3
ı	Credit Fortain 6 94	120	+180	10014	_ `	_	5.9
ı	Bectric Power 54s 94	100	÷99%	3574	-	_	5.8
ı	Euratoca 8% 94	90	1 100	铀铀	=	_	6.2
ı	FGH 544 92	110	198	9814	A	+84	6.8
ľ	G D led 83% 97.	79			-012	+81/2	6.7
l	lat-Am Des Bl. 644 94	120			0		6.3
ŀ	Japan Fin Corp 51/2 84	100			į		
ı	Japon Highway 5% 92	150	197 Va	9714	+8%	8	5.8
ì	Kansai Ele Power 84s 92	100			- 8%		
ı	Lorentro let Fin Bays 94	100			-8%		
ı	Manitoba Prov 544 94	100			-8%		
ı	Militar Fin Assa 51/9 84.	EE	195	9914			6.1
ı	Mount les Fin 544 94	106	188	98%	i	+84	
l	New Bransmack 54's 94	100	1100V	*************************	+01/2	T 834	5.5
l	Contract - Hydro 5th 94	2511	+100	10074	T 872	Tem	5.8
ı	Space Kingdom 61/4 92	100			+8%		
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ı	Sweden Kingdom 54s 84	125	+001n	0012	-04	_01/4	5.0
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l	Transcanado Pape 542 92	100	1072	00	-04	_6/-	5.0
ĺ	Among mics chan	- 75- A	1977		4 _6π -9-∞		

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Eurotime 77's S4 10 New Zeeland 7Vs S0 15	98% 98% -8% -8% 7.61 96% 96% -8% -8% 7.61				
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Arecage paice change (in o	ing −61/s on excels −81/s				
ETRER STRAIGHTS Issued					
British Col Prov 12 93CS 125 Briz Col Tul 1244 99 CS 70	85% 58% 8 +9% 13.91				
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Montreal Coy Of 12 90 CS 50	194 9442 8 -841 13.36				
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Austria Rep 104/s 83 ECU 100 18.1 11/4 88 ECU	1957: 96% +8% +9% 11.36 11884:1014 11.93				
Augun 64: 89 FL	188% 190% +8% +8% 8.12 188% 180% +0% +8% 8.89				
E 3 1 1 10 10 10 10 100	55% 55% 8.75 58% 55% 8.53				
New Common Avid SS FL	35% 35% +5% +6% 8.48				
World Basik 8V4 89 FL 150 O.K.B. 14 86 FF	99 95½ +9½ -8¼ 8.43 101½ 182½ -0½ +0½ 12.64				
Solvey & Ge 14% 86 FF 200 Air Canada 11% 94 E 49	18174 18274 - 874 0 12.99 984 91 - 874 - 874 12.97				
Carl Furge 113/2 92 £ 50	92 1/2 93 -8% -8% 12.89 92% 93% +8% -8% 12.82				
EEC 114a 94 £	92% 93% - 8% - 8% 12.65 「				
LB_L 11% 95 f 30	94% 55% -8% -8% 12.42				
Bernard 1874 89 £	97% 97% -9% -0% 11.79 (
Res 7 reds of 1054 89 5 100	88% 98% -8% -8% 13.21 91% 92% -8% -8% 12.51				
0 K.B 1244 91 £ 30 Royal Truston 1214 89 £ 30 SMCF 1114 94 £ 80	98% 98% 12.68 98% 99% +8% +8% 12.48				
	88% 98 -6% -6% 13.18				
Sth Africa Rep 1272 89£	9174 9254 -8% -8% 12.88				
Electroles: 10 89 LF 508 Coci Europa: 1034 E3 LF 800	98% 99% 9 -0% 18.38 1 101% 182% -6% -6% 18.31				
FLOATING BATE					
	+085% 00% 15/0 18 94 10 04				
Arch Besking 5V4 96	98% 89 11/10 11.19 [1.3]				
B.B.L. Int 5 99	198% 99% 18/7 5% 5.38 99% 188% 27/18 11.19 11.19				
Bankers Trust 5% 95 8% Bandays 0/S km 5 2004 0%	186 1884 18/8 114 11.74 88% 99% 2/9 18.55 18.57				
BF6 Fig 544 98	98% 99% 1/9 11% 11.99 99% 189% 14/12 12% 12.53				
Da-Ich Kangyo Sve 98	99% 99% 19/11 12% 12.17 99% 99% 23/8 11% 17.67				
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Oster Land 5% 99 S	1581/2 99 11/18 11.19 11.33 95% 1889% 9/11 11% 11.61				
Societe Gen 5¼ 54	991/2 993/4 15/9 18.18 10.22 98 991/4 23/8 18.55 18.66				
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CONVERTENZE Cox.	Can. Dag.				
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Dahwa Sec Co 5½ 98	1159 87% 88% -3% -2.77 481.8 198 101 -2% -7.23 9142 104% 185% -6% 25.45				
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Missolate Hers 54: 88	567 5076 5176 -374 -374 1.62 356 6176 5276 -374 -1.55 253 7876 7876 -374 -5.74 2338 5276 5376 -276 24.08 2398 5776 5876 -276 -3.68 564 5376 5676 -276 -3.68 564 5376 5676 -276 -3.68 565 5376 5676 -276 -3.68				
Muses 31/2 99 2/84	2535 52% 53% -2% 24.00				
Nippon Gil Co 3Va 99	1852 75 76 -274 -3.58				
Nessen Motor 544 98	700 854 894 -27 5.49				
Orient Lessing 51/4 98	2920 1367: 1377: -74 -4.87 512 927: 937: -247 8.67				
Sucritoria Corp 27/s 99 5/84	502 7A% 95% -247 6M				
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